

# **Organizational Justice and Trust in Sino-German Workplace Settings**

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# 1 Einführung

## 1.1 Promotionsprojekt – Bedeutung und Ziel des Forschungsgegenstands

Die folgende Einführung gibt einen Überblick über Gesamtzusammenhang, Methodik sowie Inhalt der folgenden drei Einzelbeiträge meiner Dissertation. Die drei Einzelbeiträge der vorliegenden kumulativen Dissertation befassen sich mit Fairness und Vertrauen im chinesisch-deutschen Arbeitskontext. Diskrepanzen in asiatischen und westlichen Kulturwerten, Einstellungen und Verhaltensweisen wurden anhand unterschiedlicher Themenfelder in den Wirtschafts- und Sozialwissenschaften auf Mikro-, Meso- und Makroebene bereits intensiv erforscht (Adler, Brahm and Graham, 1992; Hofstede, 1980; House, Hanges, Javidan, Dorfman and Gupta, 2004; Lin, Peng, Yang and Sun, 2009; Triandis, 1995)<sup>1</sup>. Während die Konzepte Fairness und Vertrauen im monokulturellen Kontext häufig Gegenstand von Management- und Organisationsforschung darstellen, weist ihre Untersuchung jedoch bedeutsame Forschungslücken im interkulturellen Kontext auf. So wurde Fairness- und Vertrauensforschung mit interkulturellem Fokus im Managementbereich bislang nahezu ausschließlich im Rahmen von kulturvergleichenden Studien analysiert. Selten wurden hingegen Phänomene wie Fairnessempfinden und Vertrauensaufbau aus interkultureller Perspektive untersucht. Dies ist umso erstaunlicher, da kulturübergreifende (*cross-cultural*) Interaktionen im Kontext der Globalisierung von erheblicher Bedeutung sind. Arbeitskräfte arbeiten daher als Folge von Entsendungen, Betriebszugehörigkeit eines ausländischen Unternehmens oder internationalen Projekten zunehmend in einem kulturübergreifenden Umfeld. Ferner bestätigen interkulturelle Managementforscher<sup>2</sup>, dass Fairness- und Vertrauensverständnis mit dem persönlichen kulturellen Werteverständnis zusammenhängen, welches sich jedoch dem jeweiligen kulturellen Umfeld anpassen kann. Gleichwohl gibt es bislang noch kein auf empirischer Basis fußendes Modell, welches detailliert darstellt, wie sich Fairness- und Vertrauensempfinden verändert, wenn Angestellte in unterschiedlichen kulturellen Arbeitskontexten tätig sind.

Als verbindende Elemente der drei Beiträge dienen zum einen grundlegende methodische Aspekte in Form von qualitativer, halb-strukturierter Interview-Forschung, die im folgenden Kapitel detailliert beschrieben werden. Zum anderen zeigen alle drei Beiträge auf, dass Nationalkultur kein statisches und unveränderliches Konstrukt ist, sondern dass

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<sup>1</sup> Literaturangaben sind der Schlussbetrachtung beigelegt.

<sup>2</sup> Aus Gründen der sprachlichen Vereinfachung wird in vorliegender Dissertation lediglich die männliche Form verwendet. Es sind jedoch stets Personen des männlichen und weiblichen Geschlechts gleichermaßen gemeint.

Wertvorstellungen und Verhalten dem jeweiligen kulturellen Umfeld angepasst werden und somit auch Auffassungen von Fairness und Vertrauen Anpassungsprozessen unterworfen sind. Schließlich bleibt gleichermaßen der chinesisch-deutsche Arbeitskontext über alle drei Beiträge hinweg konstant, welcher aus folgenden Gründen bewusst gewählt worden ist: In den letzten Jahren haben Forscher zunehmend die Vereinbarkeit westlicher Theorien und Konzepte im asiatischen Kontext in Frage gestellt, welches die Relevanz und Bedeutung meines Forschungskontexts untermauert. Als Folge wurden in jüngster Vergangenheit Artikel für Sonderhefte in renommierten empirischen Fachzeitschriften wie *Academy of Management Journal* (04/2015), *Journal of Management Studies* (bald zu erwarten), *Management Organizational Review* (11/2010), *Journal of International Human Resource Management* (06/2016) und *Asia Pacific Journal of Management* (08/2016) eingeworben, mit dem Ziel, Grenzen der Übertragbarkeit westlicher Konzepte in asiatischem Kontext zu ermitteln, genuin asiatische Managementtheorien zu entwickeln sowie asiatische und westliche Konzepte im interkulturellen Kontext miteinander zu verknüpfen. Darüber hinaus zählen im asiatisch-westlichen Kontext die Länder China und Deutschland zu den jeweils größten Volkswirtschaften Asiens bzw. Europas und verdienen allein aus diesem Grund eine besondere Beachtung. Von konzeptionell besonderer Bedeutung ist des Weiteren, dass die kulturelle Distanz zwischen China und Deutschland stark ausgeprägt ist, wodurch Wahrnehmungs-, Einstellungs- und Verhaltensunterschiede sowie kulturelle Adaptionsprozesse in den Bereichen Fairness und Vertrauen gut zu erfassen und darzustellen sind. Ferner ist der US-amerikanische Kontext in der englischsprachigen Managementliteratur grundsätzlich überrepräsentiert, sodass bei einer Gegenüberstellung westlicher und asiatischer Managementkontexte auch andere westliche Länder als die USA herangezogen werden sollten, wie eben auch Deutschland. Schließlich gibt es erhebliche interkulturelle Forschungslücken mit Fokus auf Asiaten in einem westlichen Länder- oder Organisationskontext, die ich mit meiner Dissertation adressieren möchte.

Der erste Beitrag meiner Dissertation befasst sich insbesondere mit interpersonaler interkultureller Fairness, konkret dem Fairnessempfinden des chinesischen Untergebenen gegenüber dem deutschen Vorgesetzten sowie des deutschen Untergebenen gegenüber dem chinesischen Vorgesetzten. Im Gegensatz zur bisherigen interkulturellen Fairnessforschung habe ich mich nicht auf die traditionellen vier Fairnessdimensionen (distributive, prozedurale, interpersönliche und informationale Fairness) beschränkt, sondern einen holistischen Ansatz gewählt, der es mir in der Folge erlaubte, darzustellen, wie Untergebene die Gesamt-Fairness



ihres Vorgesetzten im interkulturellen Kontext evaluieren. Das Hinzuziehen der Sichtweise der Vorgesetzten offenbart dabei, dass sich beide Akteure, Untergebene und Vorgesetzte, im Rahmen ihrer interkulturellen Zusammenarbeit in ihrem jeweiligen Fairnessempfinden und den daraus abgeleiteten Handlungsmustern gegenseitig anpassen.

Der zweite Beitrag befasst sich ebenfalls mit interkulturellen Fairnesswahrnehmungen und deren Handlungskonsequenzen, allerdings geht es nun nicht mehr um interpersonelle Fairness (wie sieht der Untergebene den Vorgesetzten), sondern um organisationale Fairnessperzeption (wie sieht der Mitarbeiter das Unternehmen, für das er oder sie arbeitet). Anlehnend an die bisherige Fairnessforschung zeigen meine Daten, dass sich Fairnessperzeptionen zwischen Individual-Ebene und Organisations-Ebene in wesentlichen Teilen konzeptionell und inhaltlich erheblich unterscheiden. Konkret erforscht dieser Beitrag zunächst die Kriterien, anhand derer chinesische Mitarbeiter die Fairness ihres deutschen Unternehmens beurteilen, um daraufhin zu untersuchen, wie interkulturelle Interaktion zu Adaptationsprozessen in Bezug auf ihr Fairnessempfinden und ihrem organisationalen Handeln führt. Hierbei wird zwischen chinesischen Mitarbeitern unterschieden, die als Inpatrierte in den deutschen Mutterunternehmen arbeiten und solchen, die als lokale Arbeitskräfte in den Auslandsniederlassungen der deutschen Firmen in China arbeiten.

Der dritte Beitrag befasst sich nicht mehr mit dem Konstrukt der Fairness und wendet sich dagegen dem Konzept des Vertrauens zu. Konkret untersucht dieser Beitrag anhand eines Drei-Phasen-Modells wie chinesische Untergebene Vertrauen zu ihrem deutschen Vorgesetzten aufbauen und entwickeln, wobei auch hier kulturelle Anpassungsprozesse als Erklärungsansatz im Fokus stehen. Der hierzu herangezogene Datensatz umfasst unter anderem 25 interkulturelle Vorgesetzten-Mitarbeiter-Dyaden, die es ermöglichen, den gesamten Vertrauensaufbau- und -entwicklungsprozess gleichermaßen aus beiden kulturellen Perspektiven zu betrachten. Die Daten zeigen auf, dass unter Hinzuziehung des asiatischen Kontexts westliche Vertrauenskonzepte grundsätzlich in das Gegenteil verkehrt werden.

Die Literaturangaben der drei Beiträge unterscheiden sich geringfügig aufgrund unterschiedlicher formaler Anforderungen der einzelnen Konferenzen bzw. Zeitschriften, bei denen die Beiträge eingereicht wurden.

## 1.2 Methodik

Alle drei Beiträge beruhen auf qualitativen, halb-strukturierten Interviews, die auf Basis der gegenstandsbezogenen Theorie (Grounded Theory), bestehend aus einem ständigen Datenabgleich und gezieltem Sampling, geführt wurden. Diese Methodenwahl erfolgte aus den folgenden Gründen: (1) Die Themenbereiche Fairness und Vertrauen sind im interkulturellen Kontext bislang kaum erforscht, weshalb sich ein explorativer und induktiver Forschungsansatz besonders eignet, um sogenannte *middle-range* Theorien zu entwickeln. (2) Dieser Ansatz erlaubt ferner, Antworten auf *Warum*- und *Wie*-Fragen zu erhalten, um so komplexe, interkulturelle Prozesse, wie die Angleichung von Fairnessempfinden von Vorgesetzten und Mitarbeitern, die Beurteilung von Unternehmensfairness und resultierende Reaktionen sowie den Vertrauensaufbau in Vorgesetzten-Mitarbeiter-Dyaden ganzheitlich zu erfassen und abzubilden, wie es mithilfe von deduktiven, quantitativen Methoden nicht möglich gewesen wäre. (3) Semi-strukturierte Interviews ermöglichen weiterhin einen tiefen Einblick in die Gefühls- und Gedankenwelt des Interviewten, was dabei hilft, dessen persönlichen Erfahrungen und Interpretationsmuster zu verstehen, um so Antworten auf meine Forschungsfragen zu finden.

Für meine Datenerhebung habe ich mich aus den oben bereits genannten Gründen für die Zielländer Deutschland und China entschieden. Insgesamt wurden 133 Interviews geführt, davon mit 79 Chinesen und 15 Deutschen, die in deutschen Unternehmen in Deutschland arbeiten und mit 16 Chinesen und 23 Deutschen, die in Niederlassungen deutscher Unternehmen in China arbeiten. Mein Datensatz enthält 15 interkulturelle Vorgesetzte-Mitarbeiter Dyaden aus Deutschland und zehn weitere aus China. Meine Interviewpartner waren Mitarbeiter, die in verschiedenen Funktionsbereichen (z. B. Logistik, Marketing, Entwicklung, Personalwesen, Einkauf, Projektmanagement), verschiedenen hierarchischen Positionen (von Assistenz bis hin zur Geschäftsführung), in verschiedenen Industrien (z. B. High-Tech, Automobil, Metallverarbeitung, Beratung) und Unternehmen tätig waren.

Ich erlangte Zugang zu den Firmen mithilfe professioneller Netzwerke, Job- und Firmenmessen (z.B. Sinojobs) sowie durch Online-Plattformen (z.B. Xing, LinkedIn). Neben mir selber waren noch zwei chinesische und drei deutsche meiner von mir betreuten Masterstudenten an der Datenerhebung beteiligt, wobei ich 75 Interviews geführt habe und die fünf Masterstudenten zusammen 58. Interviews wurden auf Deutsch, Mandarin und Englisch geführt, je nach Präferenz der jeweiligen Interviewpartner. Deutsche Interviewpartner wollten grundsätzlich auf Deutsch interviewt werden, chinesische

Interviewpartner auf Mandarin, Deutsch oder Englisch, in starker Abhängigkeit von Sprachkenntnissen, bisherigen Auslandsaufenthalten, Unternehmenssprache und Nationalität des Interviewers. Einige chinesische Interviews, die anfänglich auf Deutsch oder Englisch geführt wurden, wiesen darüber hinaus erhebliche Anteile an Mandarin auf, bedingt durch *Code-Switching*. Bereits vor meiner Promotion habe ich über zwei Jahre in China verbracht und dabei ein einjähriges chinesisches Sprachstudium in Vollzeit sowie mehrere Praktika in einem ausschließlich chinesisch-sprachigen Umfeld absolviert. Somit hatte ich bereits vor meiner akademischen Forschung einen kulturellen und sprachlichen Zugang zu China entwickelt. Zudem hat mir meine nunmehr seit über acht Jahren andauernde Tätigkeit als Managementtrainer und Berater für den chinesischen Markt wertvolle grundlegende Einblicke verschafft, die mir für meine akademische Arbeit von Nutzen waren. Auch meine fünf an der Datenerhebung beteiligten Masterstudenten waren alle mit der deutschen, englischen und chinesischen Sprache vertraut und hatten substantielle Lebenserfahrung in beiden Ländern, um die Erlebnisberichte der Interviewten bestmöglich einzuordnen.

Bis auf fünf wurden alle Interviews digital aufgezeichnet. Von den fünf Interviews, die nicht aufgezeichnet wurden, wurden detaillierte Notizen angefertigt. Anschließend wurden deutsche Interviews in deutscher Sprache, englische Interviews in englischer Sprache und chinesische Interviews abhängig vom jeweiligen Datenerheber entweder in englischer oder in deutscher Sprache wörtlich transkribiert. Chinesische Idiome, welche ohne Bedeutungsverlust nicht übersetzt werden konnten, wurden unverändert in chinesischer Sprache transkribiert. Die Gespräche dauerten im Schnitt etwa 60 Minuten, die Dauer meiner digitalen Aufzeichnungen beträgt insgesamt über 145 Stunden und die daraus angefertigten Transkripte umfassen 2139 Seiten.

Aufgrund der Sensibilität der Themenbereiche Fairness und Vertrauen und aufgrund der tendenziell zurückhaltenden Art von Chinesen, sich in diesen Bereichen gegenüber Fremden offen zu äußern, habe ich mit den meisten meiner Interviewpartner aufwändige Vertrauensaufbauprozesse in die Wege geleitet. Diese beinhalteten Vorabtreffen, gemeinsame Aktivitäten oder Restaurantbesuche. Daher sind auch viele Interviews jenseits des Arbeitskontexts in informeller Atmosphäre entstanden, wie z.B. im Restaurant oder bei den Interviewten zu Hause, damit diese sich unbeobachtet gefühlt haben und ohne Bedenken ihre Erlebnisse berichten konnten.

Der von mir entwickelte Interviewleitfaden bestand aus diversen Modulen und wurde nach jedem Interview leicht überarbeitet. Der erste Teil bestand aus demografischen Daten

wie Alter, Geschlecht, Funktionsbeschreibung, hierarchische Position, Unternehmen, Dauer der Betriebszugehörigkeit, Dauer der Zusammenarbeit mit aktuellem Vorgesetzten, Dauer des Auslandsaufenthalts (bei Inpatriates und Expatriates) sowie bisherige internationale/interkulturelle Erfahrungen. Im nächsten Abschnitt bat ich die Interviewten, ihre Persönlichkeit zu beschreiben und wie sich ihre Werte und ihr Verhalten anhand kritischer Interaktionsmomente während ihres Auslandsaufenthaltes oder während ihrer Unternehmenszugehörigkeit verändert haben. Daraufhin bat ich die Interviewpartner zu erläutern, was sie unter dem Begriff Fairness verstehen, ob sie ihren Vorgesetzten und das Unternehmen als fair wahrnehmen, anhand welcher Kriterien diese Wahrnehmungen festgemacht werden, ob sich das Fairnessempfinden über die Zeit hinweg verändert hat und was diesen Veränderungsprozess gehemmt oder unterstützt hat. Führungskräfte fragte ich, wie diese ihre Mitarbeiter führen/behandeln und ob sich ihr Verhalten über die Zeit hinweg dem interkulturellen Kontext angepasst hat. Anschließend befragte ich meine Interviewpartner danach, wie sich im Laufe ihres Arbeitsauftrags ihr Fairnessempfinden in Handlungen umgesetzt hat und ob sich in dieser Hinsicht auch kulturelle Veränderungsprozesse ergeben haben. Ich habe meine Interviewpartner immer wieder dazu ermutigt, kritische Interaktionsmomente aus dem (Arbeits-)Leben ins Gedächtnis zu rufen, da diese besonders hilfreich waren, grundsätzliche Empfindungen und Verhaltensmuster aufzudecken. Im nächsten Schritt fragte ich nach dem prinzipiellen Verständnis von Vertrauen aus dem eigenen kulturellen Kontext und wie sich der Vertrauensaufbauprozess gestaltet. Als nächstes fragte ich die chinesischen Mitarbeiter, wie sich das Vertrauen zum Vorgesetzten seit Beginn der Zusammenarbeit entwickelt hat und die deutschen Vorgesetzten, wie sie sich gegenüber deutschen und gegenüber chinesischen Mitarbeitern vertrauenswürdig verhalten. Ferner bat ich beide, chinesische Mitarbeiter und deutsche Vorgesetzte, das Konzept Vertrauen aus der Perspektive der jeweils anderen Kultur zu interpretieren und fragte nach Anregungen, wie man Vertrauen im interkulturellen-hierarchischen Kontext auf- und ausbauen kann. Abschließend fragte ich erneut nach Interaktionsmomenten, die beschreiben, wie sich beide Seiten kulturell in ihren Werten oder Verhalten verändert haben.

Die Datenanalyse erfolgte bei allen drei Beiträgen mit der offenen Kodierungstechnik, die ich mit Hilfe der qualitativen Analysesoftware atlas.ti durchgeführt habe. Während dieser Phase habe ich jede Passage eines Interviews einem bestimmten Code zugeordnet, der sich entweder auf die Beschreibung durch die Interviewpartner bezog (in vivo Code) oder auf ein theoretisches Konzept aus der Literatur. Im nächsten Schritt habe ich verwandte Codes in

übergeordnete Kategorien zusammengefasst. Mithilfe der „*constant comparative*“-Methode habe ich verschiedene Teile jedes Interviews miteinander verglichen, um Einheitlichkeit zu gewährleisten. Als nächstes habe ich die Aussagen der gleichen Gruppe untereinander und anschließend gruppenübergreifend verglichen. Während dieses komplexen Vorgangs des stetigen Vergleichens haben sich neue Verbindungen zwischen den Codes aufgezeigt, die wiederum in übergeordnete Kategorien konsolidiert wurden. Diesen Prozess habe ich in Abgleich mit der Literatur bis zum Eintritt der theoretischen Sättigung verfolgt, ab dem sich keine neuen Informationen mehr abzeichneten. In der letzten Phase habe ich die Elemente aus dem iterativen Prozess in ein konzeptionelles Modell integriert, welches je nach Beitrag erklärt (1) wie sich Fairnessverständnis zwischen Vorgesetzten und Mitarbeitern aus unterschiedlichen Kulturen angleicht, (2) wie chinesische Mitarbeiter die Fairness ihres deutschen Unternehmen in Deutschland und in China beurteilen und wie sie auf ihre Fairnesswahrnehmung reagieren (3) sowie Chinesen gegenüber ihrem deutschen Vorgesetzten Vertrauen aufbauen. In jedem dieser drei Erklärungsmodelle stand jeweils der interkulturelle Interaktionsprozess im Vordergrund. Es ging mithin stets um dynamische Handlungsorientierung und weniger um einen statischen Vergleich.

### **1.3 The Development of Shared Fairness Perceptions of Culturally Diverse Subordinates and Supervisors**

Der erste Beitrag „The Development of Shared Fairness Perceptions of Culturally Diverse Subordinates and Supervisors“ (gemeinsam mit Prof. Pudelko) wurde 2015 als Konferenzbeitrag im Peer-Reviewverfahren bei den Konferenzen *Academy of International Business Annual Meeting (AIB)* in Bangalore und *Academy of Management Annual Meeting (AOM)* in Vancouver jeweils akzeptiert und vorgestellt.

Der Beitrag befasst sich mit Fairnessempfinden in interkulturellen Vorgesetzten-Mitarbeiter-Beziehungen. Die explorative Studie untersucht, wie Mitarbeiter die Fairness ihres unmittelbaren Vorgesetzten beurteilen, der einen anderen kulturellen Hintergrund besitzt als sie selbst. Konkret haben wir uns hierbei auf die Konstellationen *chinesischer Vorgesetzter - deutscher Mitarbeiter* und *deutscher Vorgesetzter - chinesischer Mitarbeiter* fokussiert. Unsere Untersuchung stützt sich auf 133 Interviews, die ich gemeinsam mit meinen fünf Masterstudenten mit chinesischen und deutschen Angestellten insgesamt 22 deutscher Unternehmen in den Ländern China und Deutschland geführt habe. Bei den Chinesen

handelte es sich hierbei um 93 Mitarbeiter deutscher Vorgesetzter, um elf Vorgesetzte, die deutschen Mitarbeiter überstellt waren und um neun Angestellte, die eine Doppelfunktion ausgeübt haben. Auf deutscher Seite haben wir 37 Vorgesetzte chinesischer Mitarbeiter interviewt sowie dreizehn Mitarbeiter chinesischer Vorgesetzter, von welchen zwölf eine Doppelfunktion innehielten. Der hierfür verwendete Datensatz beinhaltet unter anderem 25 kulturübergreifende Vorgesetzten-Mitarbeiter-Dyaden.

Ausgangspunkt dieser Studie bildete die Forschungsfrage: *Wie beurteilen Mitarbeiter die Fairness ihres Vorgesetzten im interkulturellen Kontext?* Diese kulturübergreifende Fragestellung besitzt eine hohe Relevanz, da Fairness eines Vorgesetzten bislang lediglich aus einer monokulturellen oder aus einer kulturvergleichenden Perspektive betrachtet wurde. Darüber hinaus erweitert dieser Beitrag Fairnessforschung, insofern er sich nicht auf die Fairness eines bestimmten Ereignisses (wie z.B. Gehaltserhöhung oder Kündigung) bezieht, sondern erstmals sämtliche Handlungen einer sozialen Entität, in unserem Fall eines Vorgesetzten, bei einer Fairnessbeurteilung in Betracht gezogen werden. Meine Daten belegen, dass bei der Untersuchung der Gesamtfairness einer sozialen Entität Aspekte herangezogen werden, die sich den klassischen vier Fairness-Dimensionen entziehen. Diese verdient somit besondere Aufmerksamkeit und stellt eine wertvolle Bereicherung für die Fairnessforschung dar.

Bisherige Fairness-Studien implizieren, dass Menschen, die einem fremden kulturellen Kontext ausgesetzt sind, ihr ursprüngliches Fairnesskonzept beibehalten. Unsere Daten zeigen jedoch, dass kulturelle Identität und somit auch das persönliche Werte- und Fairnessempfinden über einen länger andauernden Prozess hinweg dem Umfeld angepasst werden. Während sich der Großteil der Fairnessstudien auf die Mitarbeiterperspektive beschränkt, haben wir darüber hinaus die Perspektive des Vorgesetzten integriert, um beide Seiten des Phänomens besser zu verstehen. Unsere Daten zeigen auf, welche Faktoren diesen Prozess der Veränderung der eigenen kulturellen Identität unterstützen oder hemmen: (1) Der Grad der *Bewahrung der eigenen kulturellen Identität* hemmt den Prozess, sich dem kulturellen Verständnis seines Vorgesetzten, respektive Mitarbeiters anzupassen. (2) *Kulturelles Wissen* und (3) *transparente Kommunikation* unterstützen dagegen den Anpassungsprozess, insofern Mitarbeiter besser die Handlungen ihres Vorgesetzten nachvollziehen und Vorgesetzte besser auf die Bedürfnisse ihrer Mitarbeiter eingehen können. (4) *Zwischenmenschliches Gespür* und (5) *kulturelle Diskriminierung* durch den Vorgesetzten sind die einzigen zwei Faktoren, die sich auf eine Veränderung der kulturellen Identität

lediglich auf Mitarbeiterseite auswirken. Darüber hinaus weisen die von mir erhobenen Daten darauf hin, dass sich durch diese Anpassung der kulturellen Identität nicht nur die Stärke des Fairnessempfindens verändert, sondern auch die Interpretation des Fairnesskonzepts: So gleichen sich das Fairnessverständnis sowohl des Mitarbeiters als auch des Vorgesetzten über den Verlauf der Zusammenarbeit zunehmend aneinander an. Damit ist das Fairnesskonzept als kulturell dynamisches und adaptives Konstrukt zu verstehen, welches mit einem Wandel von Werten und resultierendem Verhalten in verschiedenartigen Kulturkontexten einhergeht.

Als praktische Handlungsempfehlung mögen Mitarbeiter und Vorgesetzte in interkulturellen Dyaden-Beziehungen den Grad der Wahrung der eigenen kulturellen Identität senken, um interkulturellem Konflikt vorzubeugen. Zusätzlich helfen kulturelles Wissen, welches beispielsweise durch interkulturelle Trainings vermittelt wird, sowie transparente Kommunikation dabei, ein gemeinsames Fairnessverständnis zu entwickeln.

### **1.4 The Formation of Fairness Perceptions and Responsive Behavior of Chinese Employees Towards their German Organization**

Den zweiten Beitrag „The Formation of Fairness Perceptions and Responsive Behavior of Chinese Employees Towards their German Organization“ habe ich in seiner Ursprungsfassung in Eigenarbeit verfasst und als Alleinautor bei der *International Conference on Business, Economics, Management and Marketing* in Oxford und bei der *Annual Conference of the European International Business Academy (EIBA)* in Wien eingereicht und vorgestellt. Zudem wurde er nach gemeinsamer Überarbeitung mit Herrn Prof. Pudelko als Gemeinschaftsbeitrag bei der *Academy of International Business Annual Meeting (AIB)* in Dubai und beim *Academy of Management Annual Meeting (AOM)* in Atlanta eingereicht und akzeptiert.

Der Beitrag befasst sich in einem ersten Schritt mit folgender Forschungsfrage: *Wie beurteilen chinesische Mitarbeiter, ob das deutsche Unternehmen, für welches sie arbeiten, fair ist?* Für diesen Beitrag haben wir zwischen zwei Gruppen chinesischer Mitarbeiter differenziert: chinesische Inpatriates, die in deutschen Unternehmenszentralen arbeiten und chinesische Mitarbeiter, die in China bei deutschen Auslandsniederlassungen arbeiten (Locals). Für unsere Studie wertete ich 51 semi-strukturierte Interviews mit chinesischen Inpatriates und 15 Interviews mit chinesischen Locals in China aus. Hierbei ergab sich, dass unsere Interviewten sowohl Unternehmenspraktiken und -attribute sowie

Vorgesetztenpraktiken und -attribute als Faktoren benannten, die zur Beurteilung von Fairness des Unternehmens relevant sind. Der Grund, weshalb bei der Beantwortung der Forschungsfrage häufig auch auf den Vorgesetzten verwiesen wurde, begründen wir mit der starken persönlichen Identifikation, welche Chinesen gegenüber Vorgesetzten aufbauen (während deutsche Mitarbeiter sich häufig intensiver mit dem Unternehmen identifizieren). Während sich die Fairnessforschung hauptsächlich auf die Dimensionen *distributive Fairness*, *prozedurale Fairness*, *interpersönliche Fairness* und *informationale Fairness* konzentriert, konnten wir zusätzliche Aspekte erfassen, welche nicht Bestandteil traditioneller Fairnessdimensionen sind, wie z.B. Regelungen zur Unternehmenssprache, Karriereentwicklungsmöglichkeiten und Unternehmenskultur. In einem zweiten Schritt setzt sich der Beitrag mit folgender Forschungsfrage auseinander: *Wie reagieren chinesische Mitarbeiter deutscher Unternehmen auf die Fairness ihrer Unternehmen?* Hierbei untergliedern sich die Reaktionen in zwei Gruppen: (1) Chinesische Locals in China erhöhen ihr Engagement zum großen Teil gegenüber ihrem Vorgesetzten (nur selten gegenüber dem Unternehmen). (2) Chinesische Inpatriates, die in Deutschland arbeiten, adaptieren weitestgehend ihre kulturelle Identität gemäß ihrem deutschen Umfeld und zeigen sich bei (wahrgenommener) fairer Behandlung durch das Unternehmen wiederum dem Unternehmen gegenüber erkenntlich. Unser Beitrag zeigt auf, dass sich der Kontextfaktor Kultur nicht nur auf das Fairnessverständnis von Mitarbeitern auswirkt, sondern ebenfalls wie diese auf ihre Fairnessempfindungen reagieren. Unser Artikel stellt somit erstmals den ganzheitlichen Prozess dar, wie Mitarbeiter im interkulturellen Kontext die Fairness ihres Unternehmens beurteilen und wie sich dieses Urteil in entsprechenden Reaktionen manifestiert.

Unsere Studie gibt Aufschluss darüber, in welchen Bereichen Unternehmen ihr Inpatriate-Management verbessern können (Regelungen zur Unternehmenssprache, Unterstützung bei Umzug und Familie und Integrationsmaßnahmen) und was die Rolle der deutschen Führungskraft für das Fairnessempfinden ihrer chinesischen Untergebenen gegenüber dem gemeinsamen Unternehmen ausmacht. Ziel erfolgreichen Inpatriate-Managements ist es, Inpatriierte mit der Kultur der Unternehmenszentrale vertraut zu machen, damit diese nach der Auslandsentsendung erfolgreich in die Landesgesellschaften transportiert werden kann. Nur bei erfolgreichem Inpatriate-Management kann diese Zielsetzung erfolgreich umgesetzt werden und die Fluktuation (ehemaliger) Inpatriierter gesenkt werden.



### **1.5 Are We on the Same Page? The Development of Trust in Sino-German Subordinate-Supervisor Relations**

Der dritte Beitrag „Are We on the Same Page? The Development of Trust in Sino-German Subordinate-Supervisor Relations“ (ebenfalls gemeinsam mit Prof. Pudelko verfasst) bezieht sich wie der erste Beitrag auf interkulturelle Vorgesetzten-Mitarbeiter-Beziehungen mit Fokus auf Vertrauensaufbau. Der Artikel wurde im Peer-Reviewverfahren 2016 auf den Konferenzen *Jahrestagung der Wissenschaftlichen Kommission Internationales Management im Verband der Hochschullehrer für Betriebswirtschaft (VHB)* in Freiburg, *Journal of Management Studies Conference (JMS): Connecting Eastern & Western Perspectives on Management* in Warwick, *Academy of International Business Annual Meeting (AIB)* in New Orleans, *Academy of Management Annual Meeting (AOM)* in Anaheim sowie auf der *Annual European Group for Organizational Studies Conference (EGOS)* in Neapel akzeptiert und vorgestellt. Der Beitrag wurde zudem als Finalist für den *EGOS Best Paper Award* nominiert, als bestes Paper der Kategorie *Trusting: The Practices and Process of Organizational Trust* ausgewählt und ist derzeit für das Sonderheft „Connecting Eastern & Western Perspectives on Management: Translating Practices across Organizations, Institutions and Geographies“ der Fachzeitschrift *Journal of Management Studies* in Begutachtung.

Die Studie untersucht, wie chinesische Mitarbeiter Vertrauen zu ihren deutschen Vorgesetzten aufbauen. Für den Beitrag wurden insgesamt 95 Interviews in folgenden Gruppierungen geführt: 50 chinesische Mitarbeiter und 15 Vorgesetzte, die jeweils in den Unternehmenszentralen deutscher Unternehmen arbeiten sowie 15 chinesische Mitarbeiter und 15 deutsche Vorgesetzte, die jeweils in China in Auslandsniederlassungen deutscher Unternehmen arbeiten. Hervorzuheben sind hierbei 15 Vorgesetzte-Mitarbeiter-Dyaden in Deutschland sowie 10 weitere Vorgesetzte-Mitarbeiter-Dyaden in China.

Während der Großteil der interkulturellen Vertrauensforschung aufzuzeigen versucht, ob und inwiefern sich Vertrauenswahrnehmungen in verschiedenen Kulturen voneinander unterscheiden, befasst sich unsere Studie damit, wie chinesische Mitarbeiter Vertrauen kulturübergreifend zu ihren deutschen Vorgesetzten aufbauen. Anhand meiner induktiv erhobenen Daten konnten wir hierbei drei Phasen, bestehend aus Kontakt-, Desillusionierungs- und kulturelle Adaptionsphase, unterscheiden: Während der Kontaktphase empfinden chinesische Mitarbeiter gegenüber ihren deutschen Vorgesetzten ein verhältnismäßig hohes Maß an Grundvertrauen. Allein dieser Befund erstaunt, widerspricht er doch der gängigen Literatur, die von eher niedrigen Vertrauensniveaus bei

kulturübergreifenden Vertrauensbeziehungen ausgeht. Wir führen dieses Phänomen auf den kulturellen Kontext Chinas zurück, insbesondere auf Konfuzianismus, Rollenverständnis und Harmonieorientierung. In der Desillusionierungsphase erodiert jedoch das Vertrauen relativ schnell, da die hochgesteckten Erwartungen der chinesischen Untergebenen an ihre deutschen Vorgesetzten aufgrund unterschiedlicher kultureller Werte und Erwartungshaltungen enttäuscht werden: die ausgeprägte Beziehungsorientierung der Chinesen, welche für einen hohen Grad affektiven Vertrauens Sorge trägt, kollidiert mit deutscher Sachorientierung, die eher kognitives Vertrauen hervorbringt. Während das Gros der westlichen Vertrauensforschung zum Ergebnis gekommen ist, dass affektives Vertrauen sich erst auf der Grundlage kognitiven Vertrauens entwickelt, zeigen unsere Daten das Gegenteil: Chinesische Mitarbeiter konzentrieren sich zunächst auf affektive Aspekte von Vertrauen und erst im Anschluss daran auf kognitive Aspekte. Mit Hilfe von Berrys (1980) Akkulturationstheorie erklären wir in der Adaptionphase, dass das Vertrauensverhältnis entweder nachhaltig gestört bleibt, sofern sich chinesische Mitarbeiter nicht kulturell adaptieren; oder aber dass diese ihre Werte und Erwartungshaltungen adaptieren, was zu einem restaurierten Vertrauensverhältnis auf kognitiver Basis führt.

Die kulturbedingte Vertrauenskrise lässt sich umgehen, indem deutsche Führungskräfte auf ihre Zusammenarbeit mit chinesischen Mitarbeitern besser vorbereitet werden und gerade zu Beginn verstärkt emotionale und persönliche Faktoren in der Zusammenarbeit mit asiatischen Mitarbeitern integrieren.

## **2 The Development of Shared Fairness Perceptions of Culturally Diverse Subordinates and Supervisors**

### **2.1 Abstract**

Enriching organizational justice literature with insights from cultural identity negotiation theory, our explorative, qualitative study develops an evidence-based model illuminating how culturally diverse subordinates and supervisors can achieve through their cross-cultural interactions shared understandings of fairness. Our analysis is based on a complex research design comprising in total 133 interviews in China and in Germany from Chinese subordinates of German supervisors, German subordinates of Chinese supervisors, Chinese supervisors of German subordinates and from German supervisors of Chinese subordinates and includes 25 cross-cultural supervisor-subordinate dyads. Findings reveal that both, subordinates and supervisors undergo interrelated cultural negotiation processes which lead to an approximation of previously more distinct fairness perceptions and ultimately to a partially shared understanding of fairness. As part of our model, we present a series of personal and contextual moderators, which affect the cultural identity negotiation in a way that the development of shared fairness perceptions is either facilitated or impaired. Based on our findings we formulate specific propositions, guiding future research and practice.

### **2.2 Introduction**

The realization that fairness is of significant importance for employees has generated a growing body of organizational justice literature over the recent decades (Colquitt, Conlon, Wesson, Porter and Ng, 2001; Greenberg, 1987; Jones and Skarlicki, 2013). However, a review of the relevant literature reveals that most of the organizational justice research has been conducted in a mono-cultural setting (Shao, Rupp, Skarlicki and Jones, 2013). From those studies with an international context, the large majority is comparative, i.e., comparing fairness assessments and justice effects in two (or more) mono-cultural settings. Only sporadic organizational justice studies have taken a cross-cultural approach, i.e., have investigated how the confrontation with a different culture than the own has an impact on fairness perceptions.

We consider this to be an important aspect, first because with the rise of globalization, employees are increasingly exposed to culturally diverse work environments and second

because a growing body of cross-cultural management literature suggests that cultural value orientations have an impact on how employees define and react to justice at the workplace (Leung, 2013). However, to date no comprehensive framework exists to explain how employees adjust their fairness perceptions once they are working in a different cultural context. We consider it of utmost importance to address this research gap.

Furthermore, most of existing cross-cultural organizational justice studies followed so far the event-based paradigm (for a review, see Shao et al., 2013), while neglecting more holistic issues such as emerging justice rules addressed by the social entity-based paradigm (Hollensbe, Khazanchi and Masterson, 2008). We intend to address this shortcoming in our study as well. Additionally, cross-cultural research suggests that cultural value orientations are not static, but are, as a reaction to influences of a cross-cultural environment, negotiated, a process described as cultural identity negotiation (Brannen and Salk, 2000). As individuals' ideas about fairness are strongly related to the values, which are important to them, we expect employees to negotiate their understanding of fairness, once they collaborate with people of a different background.

Furthermore, while existing organizational justice research mainly focuses on the subordinates' fairness assessments, we suggest that due to the interactions that take place between subordinate and supervisor, the fairness-related cultural identity negotiation process affects both parties. However, so far only little conceptual or empirical organizational justice research has considered the supervisor's perspective. Exceptions are Tepper, Duffy, Henle and Lambert (2006) who investigated abusive supervision and Margolis and Molinsky (2008) as well as Molinsky and Margolis (2005) who studied situations which deal with performing necessary evils. In our study we follow these examples by including also the performer's perspective (Margolis and Molinsky, 2008) of fairness-related actions and investigating the fairness perceptions of subordinates and supervisors which we consider as interrelated.

Moreover, most of the organizational justice research has been executed in the North American context, ignoring the multitude of other cultures represented in the global economy and thus neglecting a spectrum of possible cultural effects on organizational justice (Shao et al., 2013). We address this shortcoming by referring in our study to the following two countries: Germany, the most important economy in Europe, and China, the most important economy in Asia.

To investigate justice effects across cultures it is a common approach to draw on cultural dimensions, especially on power distance and individualism-collectivism (Leung,

2013). Germany and China are two countries which are on both cultural dimensions distinctly different. Furthermore, existing cross-cultural research reveals that Chinese draw on additional justice dimensions when making fairness assessments which were not identified by the Western literature before (e.g. care by the supervisor) (Guo and Miller, 2009). This suggests that our research setting is particularly well suited to bring the cultural identity negotiation process to the fore.

Given the lack of previous cross-cultural organizational justice research under the social entity-based paradigm, we applied a qualitative, interview-based research design. A particular feature of our study is the comprehensive data set, covering two locations, nationalities and organizational roles. More specifically, we collected data in China and in Germany from Chinese subordinates of German supervisors, German subordinates of Chinese supervisors, Chinese supervisors of German subordinates and from German supervisors of Chinese subordinates. This resulted in 133 interviews, leading to more than 145 hours of interviews which were transcribed on over 2100 pages.

Based on this extensive data base we are able to develop a comprehensive model, demonstrating the dynamic cultural negotiation process of subordinates and supervisors across cultural and geographical boundaries. As part of this model, we present a series of moderators we found for this negotiation process. Ultimately, we show how the cultural negotiation process of both, subordinates and supervisors, are interrelated. More specifically, we provide evidence for a tendency that confrontation with the counterparts' culture leads to an approximation process of previously more distinct fairness perceptions.

### **2.3 Theoretical Framework**

#### ***2.3.1 Organizational Justice and Fairness Perceptions***

The growing importance of fairness, respectively organizational justice, has triggered an increasing amount of research activities in recent years (e.g., Colquitt et al., 2001; Shao et al., 2013). Empirical social scientists use the terms *justice* and *fairness* largely interchangeably (Cropanzano and Stein, 2009). We will use in the context of our own study the term *fairness* in the remainder of this paper, unless we cite organizational justice literature which employs the term *justice*.

Organizational justice deals first and foremost with fairness perceptions in decision-making and resource allocation contexts (Greenberg, 1987). There are two paradigms in

organizational justice research relating to fairness perceptions: the *event-based paradigm* and the social *entity-based paradigm* (Cropanzano, Byrne, Bobocel and Rupp, 2001). The event-based paradigm contends that employees assess the fairness of a specific event, such as a salary increase (Folger and Konovsky, 1989). Event-based organizational justice researchers have identified four dimensions of justice which employees relate to when making fairness judgments: *distributive justice*, *procedural justice*, *interpersonal justice* and *informational justice*. Distributive justice refers to employees' perception about the fairness of allocations or outcomes which they receive (Adams, 1965). Procedural justice pertains to the perceived fairness of the rules and procedures that control a process (Thibaut and Walker, 1975). Interpersonal justice is the degree of respect and propriety, and informational justice the degree of justification, truthfulness and information sharing, which employees are confronted with when procedures are implemented (Greenberg, 1993).

As distinct from the above described event-based paradigm, the social entity-based paradigm has a more holistic approach and claims that employees also assess the fairness of a social entity (such as a supervisor) as a whole, without limitations to specific events or situations (Hollensbe et al., 2008). Therefore, entity-based justice research can be regarded as a fruitful extension of existing event-based justice research as it does not only capture evaluations of a single event, but further delineates how fairness assessments of entities can change over time (Hollensbe et al., 2008; Jones and Skarlicki, 2013).

So far, most of the organizational justice literature has been limited to entirely *mono-cultural* settings. An extension to this research stream has been *comparative* organizational justice research which, however, is still based on (the comparison of different) mono-cultural contexts. Such comparative research has shown that fairness perceptions and even the importance of the justice concept itself differ across cultural settings (Greenberg, 2001; Shao et al., 2013). Comparative scholars have suggested that cultural values affect the rules and criteria for judging, fairness perceptions of decision-making processes and the effects of justice on outcomes (Leung, 2013). In addition, there have been some initial research efforts which transcended the mere comparative approach of organizational justice by investigating fairness perceptions in *cross-cultural* work settings. For instance, researchers investigated fairness perceptions of local employees when those had to evaluate the income disparity between their salaries and the compensation packages expatriates receive (Chen, Choi and Chi, 2002). Yet, this initial work of organizational justice research in cross-cultural work settings is yet limited to a particular situation or a particular event, such as income

distribution. Hence, so far it has been largely, if not entirely, based on the event-based paradigm. However, studying justice by merely focusing on singular events, in isolation of entity-level justice, can only generate an incomplete picture of the much more complex causal dynamics leading to the fairness perception formation (Cropanzano et al., 2001). Yet, the nascent area of the more holistic entity-based justice research has so far been limited to mono-cultural contexts, neglecting the cross-cultural dimension. With our study we intend to address this gap and introduce an entity-based focus on fairness perceptions of culturally diverse subordinates and supervisors to the organizational justice literature. Furthermore, researchers have pointed out that so far the question of *if* culture has an impact on fairness perceptions and behavior stood in the foreground of organizational justice research, but that we know very little about *how* and *when* this influence takes place (Leung, 2013; Leung, Bhagat, Buchan, Erez and Gibson, 2005). With the help of our qualitative study design we follow Molinsky (2007) and distinguish between personal and contextual factors which impact the formation of one's fairness perceptions in a cross-cultural setting. Finally, we follow the call by cross-cultural organizational justice researchers to study the notion of organizational justice in various cultural settings to counter imbalances and possible biases of previous, mostly North American research settings (Shao et al., 2013).

### **2.3.2 Cultural Identity Negotiation**

The growing importance of adaptation processes in foreign cultural settings has triggered an increasing amount of research activities in recent years (Caprar, 2011; Molinsky, 2007; Molinsky, 2013; Yagi and Kleinberg, 2009). Already more than three decades ago, Berry (1980) developed his seminal acculturation theory which deals with adaptation processes of individuals who are exposed to non-native cultural settings, a theory which was later extended to adaptation processes of organizations when going global (Nahavandi and Malekzadeh, 1988). Other theories began to emerge from the acculturation theory such as Molinsky's (2013) concept of cultural retooling which sheds light on how individuals learn to manage internal conflicts and how they develop new behaviors when dealing with other cultures. Another related concept is the concept of cultural identity negotiation (Brannen and Salk, 2000; Yagi and Kleinberg, 2011). It can be understood as an individual's sense of self, derived from formal or informal membership in groups that convey knowledge, beliefs, values, attitudes, traditions, and ways of life (Jameson, 2007). In the past, it was often considered to be another term for national identity (i.e., thinking oneself as German or

Chinese), but “more accurately can be considered the psychological counterpoint to national identity – the identity that describes the cultural self in content, evaluation, and structure” (Sussmann, 2000: 358). It is to be understood in relation to situations and interactions with others (Gecas, 1982) and is additionally influenced by the broad ideological framework of a country, corporation, or situation (Triandis, 1994). Cultural identity links individuals to a “collection of ideas and practices shared or widely distributed in a delineated population” (Hong, Wan and Chiu, 2007: 324) and has to be seen as merely one dimension of self-identity. It is that part of one’s self-concept that concerns perceptions of who I am as a cultural being (Yagi and Kleinberg, 2011). We consider it important to link the relatively new stream of the cultural identity negotiation literature to the literature on organizational justice. We believe this link to be crucial as extant organizational justice literature claims that individuals’ ideas about justice and injustice, respectively fairness and unfairness, are strongly related to the values which are important to them (Lipponen, Olkkonen and Myyry, 2004). Given that different cultural backgrounds therefore result in a different understanding of fairness and given that cultural identity negotiation theory explains us how individuals adjust their values, beliefs and behaviors when exposed to a different culture (Leung et al., 2005), we consider it vital to import insights from the cultural identity negotiation research to cross-cultural organizational justice research. Doing so will allow us to gain a deeper understanding of the dynamic adjustment or negotiation process of one’s own fairness perceptions, when exposed to a different culture. Similar to the concept of cultural retooling (Molinsky, 2013), we consider characteristics of individuals, but also identify characteristics of the adaptation process. Moreover, while most existing literature focuses on subordinate’s fairness perceptions only, we provide a framework which illustrates that subordinates’ fairness perceptions should not be seen in isolation but develop in a dynamic negotiation process with the supervisor’s fairness perceptions, i.e. the person who engages in fair or unfair treatment is not to be seen in isolation (Margolis and Molinsky, 2008). By contrast, given the interaction that takes place between subordinate and supervisor, such a cultural negotiation process has to be understood as an interdependent two-folded process: both the subordinate as well as the supervisor will negotiate their values and beliefs and ultimately their fairness perceptions in an iterative action-reaction process that encompasses both culturally diverse parties.

Additionally, there has been a growing body of research criticizing the simplistic view of culture and national identity as static, immutable and consolidated constructs (Leung et al., 2005). However, as the human mind is adaptive, dynamic and sensitive to environmental



influences, there is a growing understanding that employees negotiate their cultural identity to mitigate intercultural conflict in interactions (Yagi and Kleinberg, 2011) and to engage in culturally appropriate behavior to gain respect from colleagues (Earley and Ang, 2003; Molinsky, 2013). We extend existing research on cultural identity negotiation by investigating how employees negotiate their values and their conceptualization of fairness in culturally diverse encounters of supervisors and subordinates.

Lastly, while most cultural adaptation research focuses on illustrating the challenges of cultural adaptation and develops strategies of how to minimize acculturative stress, we follow a new stream of research of “nurturing and developing the positive” (Molinsky, 2013: 702). Specifically, we do so by providing a model of how positive outcomes, in our case the development of shared fairness perceptions, can be achieved.

## **2.4 Methodology**

### ***2.4.1 Research Design***

Organizational justice has already been investigated for decades, however so far largely in two settings: by far most studies have been executed in a purely mono-cultural context, while a few are comparative, contrasting organizational fairness perceptions in country A to those in country B. However, also the latter still mainly focus on people working in their country of origin (Shao et al., 2013). By contrast, hardly any research has been done in a cross-cultural context, investigating fairness perceptions of employees with a national background different from the country they are currently working in (e.g. Chen, 2010). Given this lack of previous research, we considered an explorative, qualitative approach most suitable for our study (Glaser and Strauss, 1967; Locke, 2001). As our study builds on extant theories developed in a mono-cultural or a comparative context, we apply a semi-grounded approach (Fox-Wolfgramm, 1997) which follows the core techniques of grounded theory (Rynes and Gephart, 2004) of constant comparison and theoretical sampling. We employed semi-structured interviews paired with a narrative interviewing strategy to investigate interviewees’ thoughts, emotions, motivations and personal experiences, explanations and interpretations (Myers, 2008) which help us to obtain an understanding of how our interviewees construct fairness evaluations in our cross-cultural research context.

### ***2.4.2 Research Setting***

In line with our research context of investigating fairness perceptions of culturally diverse subordinates and supervisors, we collected data in China and in Germany from Chinese subordinates of German supervisors, German subordinates of Chinese supervisors, Chinese supervisors of German subordinates and from German supervisors of Chinese subordinates. Such a comprehensive research design across locations, nationalities and organizational roles assured the inclusion of all relevant facets of our research context. We only kept the nationality of employing organizations constant, as we exclusively interviewed employees working for German owned-companies. As researchers raised the concern that most of the organizational justice literature is based on findings from North America (Shao et al., 2013), we respond to their call for more research coming from other regions, choosing China and Germany as the setting for our study. These two countries are also culturally, socially and institutionally very different, promising interesting results.

### ***2.4.3 Data Collection***

While many studies have investigated the relationship between Western supervisors and Chinese subordinates in China, this study is one of the first to also investigate the relationship between Chinese supervisors and Western subordinates in Chinese and Western countries. Our interviews included 15 supervisor-subordinate dyads in Germany and ten supervisor-subordinate dyads in China. This is still a very rare setting and constellation which rendered the data collection extremely difficult. We gained access to the interviewees through own professional networks, China-related trade shows and professional social network platforms. By these means, we won in particular the support from three German companies that met our research criteria and which allowed us access. In the first company we could interview 41 Chinese and 29 German employees. In the second company we interviewed eleven Chinese and eight German employees and in the third company ten Chinese employees. Following organizational justice research with qualitative study designs (Hollensbe et al., 2008), we were able to supplement data from these three companies with additional data from a convenience sample, also through snowballing. This led to a further 34 interviews from 19 companies. The resulting additional diversity added to the “ecological validity” of our study (Lee, 1999: 152). Interview participants of the convenience sample were found through own professional networks and were contacted directly.

Six investigators conducted the formal semi-structured interviews. Two are of Chinese national background and four are Germans. All six interviewers have working and living experience in Germany as well as in China and they are able to speak German, English and Mandarin Chinese. We interviewed 93 Chinese subordinates working for German supervisors, 13 German subordinates working for Chinese supervisors, eleven Chinese supervisors with German subordinates and 37 German supervisors with Chinese subordinates. Overall, we conducted 133 interviews, whereby 21 interviewees were simultaneously both subordinates and supervisors of employees of a different cultural background, so that we interviewed them regarding both roles. Given the first author's intimate knowledge of the culture, language and corporate environments of both countries, he was able to fully make sense of the participants' narratives (Langley, 1999; Pentland, 1999) and the phenomena of the study context (Lindlof, 1995).

As existing research suggests that entity-based fairness perceptions are prone to change over time (Jones and Skarlicki, 2013), we only selected respondents who were already working in their current position and with their current supervisors respectively subordinates for at least several months. This allowed for a certain degree of personal experiences, necessary to develop informed perceptions about the work situation in general and fairness perceptions more in particular (Hollensbe et al., 2008).

In order to establish a socio-emotional trust relation, something we considered essential for our Chinese respondents (Chua, Morris and Ingram, 2009; Fu and Yukl, 2000), in particular given the sensitivity of our topic, in many cases dinner invitations preceded the actual interviews. While these conversations were not audio-taped, they already provided very valuable insights, due to their length and informal character and thus became part of our data. When talking about sensitive topics, such as fairness assessments about the supervisor, Chinese tend to communicate indirectly. This is due to the importance Chinese attach to the concept of face (*mianzi*) (Cardon and Scott, 2003) and makes it difficult for researchers, even to those familiar with the Chinese cultural context, to interpret their coded messages. We addressed this issue by conducting our interviews in an informal context (in cafés and interviewee's homes). By contrast, it was not necessary to initiate a previous relationship building process with our German participants, as they were prepared to share also sensitive information on fairness-related experiences right away.

Before doing the actual interviews, we questioned a focus group of three participants. Focus groups are often used for studying culture-related phenomena for exploratory purposes

(Bloor, Frankland, Thomas and Robson, 2001). Based on these initial interviews we implemented a series of changes in our interview guideline. We used three parts of our final semi-structured interview guide for this study. One part inquired about personal demographics, such as age, gender, nationality, academic background, hierarchical status, job description and previous work experience. Where possible, this covered not only the interviewee but also supervisors, respectively subordinates. Another part focused on cultural identity negotiation issues in the current work environment. We asked for personal values that changed over time and about critical incidents which revealed a change in values, beliefs and behavior. Another part addressed fairness-related aspects in several ways. First, interviewees were asked to report on their original fairness perceptions and on how their view on fairness has changed in their current cross-cultural setting. Next, Chinese (German) subordinates were asked to assess the fairness of their German (Chinese) supervisor and draw comparisons between their current counterpart and previous ones they had worked with. Subordinates were also asked if and how their expectations towards their supervisor have changed during the cross-cultural collaboration period. By contrast, German (Chinese) supervisors of Chinese (German) subordinates were asked about how they treated their subordinates and if and how they adapted their leader-specific behavior according to the cross-cultural context.

We chose semi-structured interviews allowing for a high degree of flexibility to facilitate a free flow of narrations about occurrences, thoughts and emotions, while at the same time enabling the comparability across interviews (Myers, 2008). The interviews with German participants were conducted in German, the interviews with Chinese participants were conducted in Mandarin Chinese, German or English, depending on which option they felt most comfortable with. For instance, some of the Chinese interviewees specifically asked to be interviewed in the corporate language of their current location of employment (English or German) as they were very proficient in the foreign language of their choice, a phenomenon also described by Welch and Pikkari (2006). Interestingly, some of the interviews with the Chinese interviewees which we started out to conduct in German or English repeatedly contained sections of Mandarin Chinese due to code-switching. All but five interviews were audio taped and transcribed verbatim. For the interviews where the interviewees refused to have them recorded, we took detailed notes during the conversation. English interviews were transcribed in English, and German as well as Mandarin Chinese interviews in German, while keeping culturally rooted and difficult to translate idioms and

phrases in Chinese. Interviews lasted on average a bit more than one hour. Overall, our interviews took over 145 hours, resulting in 2139 pages of transcript.

### ***2.4.4 Data Analysis***

We started analyzing our data during the data collection process using an open coding technique (Strauss and Corbin, 1998) with the help of the atlas.ti qualitative research software. During this stage we labeled every passage of our interviews with codes related to our topics of interest. Some codes were derived from the respondents' statements. For instance, we assigned the code "difference in fairness China Germany" to any passage describing a juxtaposition of perceived fairness in China and Germany (e.g., "Yes, people in Germany, I don't think they are very much concerned about how much they earn. But people in China they are very concerned about this."). Other codes were derived from the literature (Strauss and Corbin, 1998) (e.g., the quote "Actually, in Germany you follow the rules. If everybody follows the rule, then it means it's fair. For everybody." generated the code "procedural fairness").

After finishing the open coding phase, we integrated related first-order codes into superordinate categories (Strauss and Corbin, 1998). We used the constant comparative method to carve out these categories (Glaser and Strauss, 1967). First, we contrasted different parts of each interview to ensure consistency. Next, we juxtaposed the statements of members of the same category of interviewees to compare original fairness perceptions in more general terms: Chinese subordinates' original fairness perceptions, German subordinates' original fairness perceptions, Chinese supervisors' original fairness perceptions and German supervisors' original fairness perceptions. Subsequently, we repeated the aforementioned step with the same four groups, this time concentrating on the cultural identity negotiation process which led to modified fairness perceptions. We paid particular attention to potential convergence tendencies. In a next step we moved away from general fairness perceptions and focused on more specific fairness perceptions related to the supervisor-subordinate relationship. For this step we compared the statements among Chinese (German) subordinates assessing the fairness of their German (Chinese) supervisors and subsequently the statements among the Chinese (German) supervisors' on how fairly they thought they treated their German (Chinese) subordinates. We also compared the Chinese and German supervisors' explanations on whether they treated subordinates of the opposite cultural background any differently. In a final step, we juxtaposed the Chinese (German) subordinates' fairness

perceptions with the German (Chinese) supervisors' fairness perceptions. During this complex comparative process, connections between codes emerged. For example, the codes "supervisor cultural empathy", "supervisor open-mindedness" and "supervisor benevolence" were consolidated into the higher-order category "interpersonal sensitivity of the supervisor". We followed this iterative process of consulting our data, comparing them with existing literature and integrating our findings into a theory building process until we reached the point of theoretical saturation by which no new information emerged (Guest, Bunce and Johnson, 2006). In the final stage of analysis, we integrated the elements which we derived from our iterative research process into a conceptual framework explaining how fairness perceptions between subordinates and supervisors are negotiated in a cross-cultural context.

### **2.5 An Emergent Model of Shared Fairness Perceptions**

To preview our findings, we offer our resultant theoretical model in Figure 1. Based on our research setting of investigating fairness perceptions of culturally diverse subordinates and supervisors, we depict the process by which the initially mostly distinct fairness perceptions of the subordinate and the supervisor approximate each other through a process of cultural identity negotiation, resulting in negotiated fairness perceptions which are shared by both parties. As Figure 1 shows, we found evidence that the cultural identity negotiation process of the subordinate and the supervisor are influenced by personal and contextual determinants which largely (but not entirely) mirror each other for both parties. Next, we provide a combination of theoretical conceptualizations taken from the literature and own empirical evidence which led us to the formulation of the propositions which make up our conceptual model. The combination of established knowledge from the literature and own data reflects the iterative process we went through when formulating our propositions.

2 The Development of Shared Fairness Perceptions of Culturally Diverse Subordinates and Supervisors

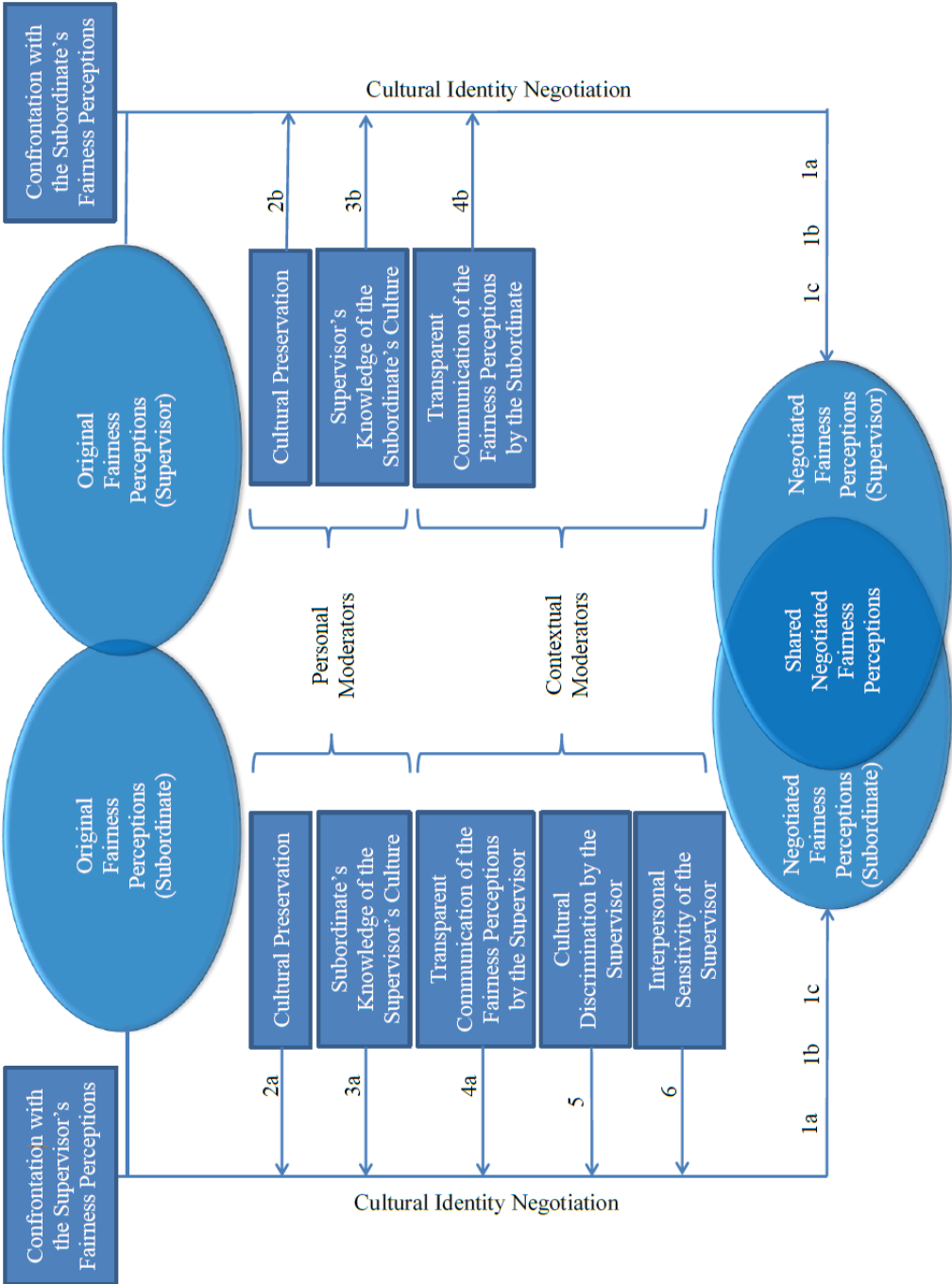


Figure 1: An Emergent Model of Shared Fairness Perceptions

### ***2.5.1 The Impact of Cultural Identity Negotiation on Fairness Perceptions***

*Emergence of a cultural identity negotiation process.* Our interviewees clearly stated that the confrontation with decidedly different perspectives on fairness made them reflect on and ultimately reassess their own fairness-related perceptions, beliefs and behavior (see also Triandis, Kashima, Shimada and Villareal, 1986).

I think my perception regarding cultural idiosyncrasies has changed, also with respect to fairness...[in one's cultural context] everybody thinks the way he acts is the right way, because otherwise he would do it differently. If you are abroad for six months, you start to reflect on experiences. This is highly interesting when you realize that you are surrounded by people who are acting completely differently...this made me reflect in a way that I was telling to myself: If I do something in a certain way because I think this is the best approach and somebody else does it differently because he has a different perception, then my approach is not necessarily the best. Concluding I can say that I started to reflect on cultural issues, which impacted also my fairness perceptions. (German supervisor 1 in China)

Our data also indicate that this reassessment of own culturally determined perceptions ultimately affects our interviewees' own cultural identity (see also Yagi and Kleinberg, 2011). This occurred in a process through which both, subordinates and supervisors, gradually negotiated and thereby transformed their own cultural identity.

I think with the whole fairness issue, it is like a process, which develops step by step. Just as I think of it now, I have the feeling that I already adopted the German culture and that I am thinking more about others and fairness, automatically. (Chinese subordinate 1 in Germany)

These findings lead us to our first proposition:

***Proposition 1a: Working in a cross-cultural environment implies a confrontation with different fairness perceptions which lead to a cultural identity negotiation process characterized by a reassessment of own fairness perceptions.***

*Changing relevance of fairness.* The confrontation with different fairness perceptions also made our interviewees think more about the relevance of fairness in general. While organizational justice researchers investigated reasons *why* individuals care about justice, respectively fairness, in the first place (for a review, see Cropanzano et al., 2001), cross-cultural researchers found out that even though justice is a "universal human concern" (Leung, Su and Morris, 2001: 349), individuals vary in their justice sensitivity depending on the cultural background (Major and Deaux, 1982). Based on our interviews we found now that the degree of justice sensitivity of individuals changes as a result of the cultural identity negotiation process. Once confronted with different fairness perceptions, our interviewees



think more about fairness and, as a result, reevaluate also the importance they attach on fairness. More specifically, they reevaluate how important it is for them to be treated fairly.

Yes, my feelings towards fairness and the role that fairness plays in my life have changed because fairness is so important in Germany. In the future I will focus more on fairness; I realize that fairness is important. [In the past] I did not think about fairness so often, also because of my environment and friends. (Chinese subordinate 2 in Germany)

Hence, we propose:

***Proposition 1b: The cultural identity negotiation process, characterized by a reassessment of own fairness perceptions, has an impact on the importance attached to fairness.***

*Striving for shared negotiated fairness perceptions.* Our findings also suggest that the confrontation with different fairness perceptions do not only change own fairness perceptions (see also Jones and Skarlicki, 2013), they change them in a certain direction. Both supervisors and subordinates appear to take fairness aspects of the respective other culture into their fairness repertoire, attempting to establish a common denominator of shared fairness perceptions. These findings relate to Leventhal's consistency rule of procedural justice (i.e. procedures should be applied consistently across persons) (Leventhal, 1980).

Supervisors from higher power distance cultures (Hofstede, 2001), such as China, enjoy certain privileges over their subordinates, while people from lower power distance cultures, such as Germany, tend to be more egalitarian with subordinates being much less reverential towards their supervisors (Brodbeck, Frese and Javidan, 2002). Our interviews show that working in a different cultural setting influences the way how people think about power inequalities between supervisors and subordinates. When being asked how his fairness perceptions changed when working in Germany for a German supervisor, one of the Chinese interviewees replied:

We organized some team buildings among our own departments. And my [German] manager always tries to motivate everybody to participate...no matter if they are technicians or interns. Everybody is the same at this moment. I don't think in a Chinese company we would really treat everybody the same. But the German managers do so at this point. They [interns] also go for team-buildings...Everybody is the same. That feels very good. (Chinese subordinate 3 in Germany)

Another Chinese interviewee working in China found it quite fair when his German supervisor minimized status differentials between himself and his employees and also engaged in manual work, which he claimed does not happen in China very often:

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Sometimes we need to go somewhere to see how things work [in the line]...[As a supervisor] you also must know about the work in the line. He [my supervisor] will work together with us like a worker, on the same level...This is better, we work together better as a team. He will also make his shirt dirty. (Chinese subordinate 1 in China)

These findings suggest that the Chinese interviewees working for German supervisors adapted to the egalitarian mentality and sympathized with the German understanding of fairness to treat everybody equally regardless the professional rank, while in China hierarchy is still of much more importance, leading to an entirely different fairness concept.

However, we also found German supervisors of Chinese subordinates, who tried to accommodate to the Chinese hierarchy orientation:

Our company policy is to encourage people to speak up their minds, no matter if they are senior level, junior level or even an intern. Everybody should contribute to the company's growth by taking responsibility and by discussing ideas across functions and levels. I realized that in China hierarchy is very important and that you cannot just skip levels of hierarchy. I try to include team leaders even more and let them communicate decisions and other news directly to their team. Sometimes this approach is not efficient, but I learned that this gives face to the team leaders and I think in return they respect me more because I care about how things are done in China. (German supervisor 2 in China)

We also observed a change in fairness perceptions related to distributive justice and procedural justice for the Chinese concept *guanxi*. *Guanxi* can be understood as relationships or social connections based on mutual interests and benefits (Lovett, Simmons and Kali, 1999). It refers to a special type of relationship between exchange partners which grant each other access to privileges, resources and information (ibid). While it is still very common and an integral part of Chinese society, our Chinese interviewees described that their view on *guanxi* changed significantly when working in a different environment:

By now I realize that I changed and that I cannot understand this [guanxi guided] behavior [in China] anymore...neither can I accept it. I know what they are talking about and that it is like that everywhere in China. But my heart tells me now that this is not right. It is not right to be able to get a good job only with money or good *guanxi*. There are good people in China, who are clever, open and positive. These people come to a company without *guanxi* and therefore have no chance to get promoted. Now I would say that this is definitely unfair. (Chinese subordinate 4 in Germany)

Even though research shows that *guanxi* is a while debated still largely accepted concept in China (Dunfee and Warren, 2001; Hui, Lee and Rousseau, 2004), this quote unveils that for this interviewee *guanxi* turned out to be an unfair concept in the German work environment, where cronyism is largely not tolerated (Lambsdorff, 2003).

An additional aspect which repeatedly emerged in our interviews related to power distance and procedural justice is *voice* (i.e. the desire to control decision-making processes (Thibaut and Walker, 1975)). Cross-cultural organizational justice research suggests that subordinates from high power distance cultures, such as China, are accustomed to be less involved in decision-making processes, expect less opportunity to have voice and accept more one-way, top-down orders from their supervisors than subordinates from low distance cultures, such as Germany (Brockner, Ackerman, Greenberg, Gelfand, Francesco, Chen, Leung, Bierbrauer, Gomez, Kirkman and Shapiro, 2001; Brodbeck et al., 2002). Many of our German supervisors confirmed this notion:

Actually I can see the challenges which the Chinese employees have here [in Germany] in the beginning. We have a very discussion-oriented leadership style and encourage our employees to speak up and to critically question everything...I think for the Chinese it was rather difficult in the beginning to question topics critically, but also to speak their mind. (German supervisor 1 in Germany)

However, German supervisors could often detect a change in the Chinese employees' behavior at later stages of their working relationships as they gradually started to feel more comfortable to share ideas and engage in discussions:

I think you can see that the Chinese working here are influenced by the Non-Chinese. They realize that we have a discussion culture...I think they will realize when participating in discussions in team meetings that there is nothing wrong about contributing ideas. And this also motivates [Chinese] to enter the discussion at a certain point, which actually happens from time to time. They would never actively start out to question things by themselves. But when they see that I discuss things with a German colleague of mine, they will also participate...It adds value to discuss aspects, which you would normally not do from the perspective of the Chinese harmony-glasses or with respect to face. (German supervisor 3 in China)

Our Chinese interviewees working for German supervisors confirmed this observation by suggesting that the work environment triggers a higher desire to be included in a decision-making process:

I was hired by a German boss as well, so in the first meeting he told me: "You have to be open-minded. I know in China you have a lot of hierarchies, but here you can take this more open. If you have any problem or suggestions, you just come to me and talk." So, this really helps me a lot. (Chinese subordinate 5 in Germany)

An additional fairness aspect which emerged in our data as important for the Chinese context which has rarely been examined in the Western organizational justice literature is the concept of *caring*, i.e. supervisors showing concern for their employees' work and lives (Guo and Miller, 2009). Specifically, one of our German interviewees working for a Chinese supervisor

replied to the question of whether there are aspects of fairness which he did not think about before working for a Chinese supervisor:

[After work] I have been offered by my boss to come along for shopping. I thought this was very fair because I felt included. What else? I had problems with my apartment; it was no problem to take days off to settle my affairs. This was very fair by my Chinese boss to support me in private matters. (German subordinate 1 in China)

This statement coincides with the findings of the Globe study on the humane orientation dimension, i.e. “the degree to which an organization or society encourages and rewards individuals for being fair, altruistic, friendly, generous, caring, and kind to others” (House, Hanges, Javidan, Dorfman and Gupta, 2004: 569). Compared to Germany, China is rated as more humane-oriented and its leadership style is described as more supportive, considerate and compassionate. Chinese supervisors seem to be more sensitive to the needs of their subordinates, particularly with focus on their personal and familial issues (Farh and Cheng, 2000), while German managers are described as less humane-oriented, less compassionate and their interpersonal relationships are more rigid and straightforward (Brodbeck et al., 2002). As a result, in Germany caring about employees’ private matters is rarely on the agenda of supervisors, and is also not expected by subordinates. Having been exposed to a work environment in which supervisors do not only focus on task-related issues, but also care about well-being and interpersonal relationships, prompted our German interviewees, particularly subordinates working in China, to integrate the fairness aspect of caring into their own fairness repertoire.

The approximation of fairness perceptions was particularly strong for interviewees working in a foreign country context (German employees working in China and Chinese employees working in Germany) and occurred especially at more mature stages of their working relationships. Yet, our data revealed approximation of fairness perceptions throughout all investigated constellations. Based on these findings, we propose:

***Proposition 1c: The cultural identity negotiation process is characterized by a reassessment of own fairness perceptions in such a way that they change in the direction of the other party’s perceptions, contributing to the development of shared fairness perceptions.***

*Moderating influences on the cultural identity negotiation process.* During our iterative coding process, we discovered five moderating factors, affecting the cultural identity negotiation process in ways that either fostered or impeded shared negotiated fairness perceptions. To structure them, we will follow the distinction of *personal* and *contextual*

determinants of behaviors, beliefs and attitudes (Brannen and Salk, 2000; Molinsky, 2007). From our data two personal moderators of the cultural identity negotiation process emerged for both, subordinates and supervisors, from our data: *cultural preservation* and *knowledge of the counterpart's culture*. The contextual moderator we identified again for both, subordinates and supervisors, was *transparent communication of the fairness perceptions by the respective counterpart*. By contrast, the contextual moderators *cultural discrimination* and *interpersonal sensitivity of the supervisor* were relevant for the subordinates only.

### ***2.5.2 The Impact of Cultural Preservation on Fairness-Related Cultural Identity Negotiation***

Our interviews with subordinates and supervisors suggest that the degree to which members of both groups stick to their original cultural identity (labeled cultural preservation), has a strong effect on the degree to which and how they are going to change their original fairness perceptions as a consequence of their cultural identity negotiation process.

*Subordinate's cultural preservation.* Regarding the subordinates, one of the Chinese interviewees stated that he still preserved his cultural values even though he knew that his colleagues and his supervisor had a different understanding of fairness. Also his cultural preservation impeded any negotiation of his fairness perceptions:

I have the feeling that I am still Chinese, I did not change. When I met my parents again after quite some time, they told me that I did not change...when there is a problem in China we handle it more delicately. Here it is still very difficult for me to say things directly as my [German] colleagues do. My colleagues and my supervisor say it is ok to say if something is wrong or if there is a problem with a project, and that it is not fair for the others not to say it right away, if something is wrong. I know it is not easy for them to understand why it is difficult for me to mention problems. But it is also difficult for me to change, my heart is still Chinese. (Chinese subordinate 6 in Germany)

Our findings suggest, the more people try to preserve their own values and beliefs, the less they will engage in a cultural negotiation process. As a consequence, the sharing of negotiated fairness perceptions, which would help to smoothly interact across cultures, will be impeded. Some of our interviewees illustrate how challenging their cultural identity negotiation processes or their acts of cultural retooling actually can be, with the result that they reject the adaptation and internalization of values and beliefs due to intense feelings of internal conflict (Molinsky, 2013).

The majority of our interviewed subordinates reported, however, to have been prepared to reconfigure their values and beliefs with respect to their fairness perceptions as

they did not seek to preserve their original cultural identity to such a high degree. A Chinese illustrated how she changed her attitude towards criticism by the supervisor, an aspect which is related to interpersonal justice:

Regarding criticism I am more relaxed now. For us Chinese, if someone says: “Yes, you made a mistake”, I would think about it for two weeks: Oh my god, I lose my face, I am stupid. I took it very personally. But I have realized that everybody makes mistakes and that you have to take responsibility for it. Now I say: “Yes, you are right.” And then I ask: “How should we deal with this now?” (Chinese subordinate 2 in China)

With respect to procedural justice, another Chinese employee described that she changed her views regarding rules and regulations (i.e. procedural justice):

Whenever I am returning to China to see my old friends, I realize that we do not share so many things in common anymore. They start to talk about things which I do not understand anymore. In China there are rules beyond the written rules. Everybody who is working in specific areas knows this and acts accordingly. For instance, in China *guanxi* is very important. Germans use it [*guanxi*] as well, but not as much and not so official...And now I like obeying rules and like to act accordingly. I also started to pay more attention to processes which I have been instructed. I also want to keep things in order. There is the general assumption that Chinese are flexible [regarding following rules]...but I am not flexible anymore. (Chinese subordinate 7 in Germany)

Another example illustrates how a German interviewee adjusted the other way around with regards to informational justice:

You cannot work here with a German mentality, this just doesn't work. I adapted because you have to adapt here, or you will fail...Now, I often do not question the decisions of my [Chinese] boss, even if they do not immediately make sense to me...I know some decisions have to be made according to the circumstances. And I know that sometimes I do not know how things work here. I think this is the reason why I am ok with most of the decisions, even if some of them are not even plausible. (German subordinate 2 in China)

We therefore propose:

***Proposition 2a: A high (low) degree of the subordinate's cultural preservation affects his or her cultural negotiation process in a way that contributes (is detrimental) to the development of shared fairness perceptions.***

*Supervisor's cultural preservation.* Our interviews revealed that the supervisors' negotiation of cultural identity is equally moderated by their degree of cultural preservation:

The one Chinese employee I have is here to learn about the German style of project management and about the processes at the headquarters here. I don't see why I should adjust. This is also not the point here. The point is for my employee to learn the German way. (German supervisor 2 in Germany)

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The reluctance to culturally adjust was generally more noticeable among the supervisors than among the subordinates, which can be attributed to their hierarchically superior status to expect the other part to adjust to their cultural norms and expectations. As pointed out before, our findings also indicated that supervisors working in their home country context (German supervisors working in Germany and Chinese supervisors working in China) generally preserved their culture to a greater extent than those working in a different country as a consequence of perceived home country advantage. However, we also found examples of supervisors working in a different country to preserve their cultural identity, particularly at early stages of their cross-cultural working relationships. One of the German supervisors working in China that we interviewed was fully aware of the high power distance orientation there. Yet, he still insisted on treating everybody equally:

Regarding different fairness perceptions, I still think that I am handling it the German way. I try to treat everybody the same way...I want everybody to obtain the same information. I don't want anybody to feel better or superior than others. (German supervisor 4 in China)

As a group leader, the above mentioned German supervisor was the head of several Chinese team leaders. The German's approach to treat everybody equally, regardless the hierarchical position, compromised the status of the Chinese team leaders with regards to their teams and consequently challenged the Chinese fairness perceptions. A Chinese supervisor illustrated how she adjusted her leadership style while working in Germany:

In China if you are the boss you have to be respected very much and people follow. But I accept my people say no to me here. I can, because I know so much about foreign companies already that I can accept it, but then it is important how they will tell me. In a nice way, in a fair way or maybe in some tough words...As a boss, I think I take some examples from German side how to be a boss. (Chinese supervisor 1 in Germany)

As illustrated above, *voice* is an important aspect of procedural justice especially in Germany, whereby subordinates and supervisors can freely exchange ideas, opinions and feedback, whereas in China supervisors expect obedience from their subordinates and take control over the decision-making process. This above mentioned Chinese supervisor is not only aware of fairness expectations of German subordinates, but also adjusted to them by leaving parts of her original beliefs behind. Hence, we assume that cultural preservation also of the supervisor impacts the development of shared negotiated fairness perceptions.

***Proposition 2b: A high (low) degree of the supervisor's cultural preservation affects his or her cultural negotiation process in a way that contributes (is detrimental) to the development of shared fairness perceptions.***

### ***2.5.3 The Impact of Knowledge of the Counterpart's Culture on Fairness-Related Cultural Identity Negotiation***

The second moderating factor affecting the cultural identity negotiation of both, the subordinate and the supervisor, which emerged from our data, was the knowledge of the counterpart's culture.

*Subordinate's knowledge of the supervisor's culture.* One Chinese subordinate explained how he adjusted and how his interpersonal fairness perceptions changed the more he learned about the German culture:

In my private life I am very polite, very nice, but regarding my work I am very strict now. Even my [German] boss says that I am too strict, that I even criticize myself (laughs). In China I am not so extreme...I found out that [that the difference between Germans and Chinese is that] Germans are very direct. I like this now. I am not scared of criticism, I also criticize a lot. Of course, no one likes criticism, but the Germans are just direct...This helps me because I try to learn as much as possible here and always try to improve...I also *know* that Germans take their work seriously and they do not intend to offend me...Now, I am like this also. I am nice in my private life, but strict at my work. (Chinese subordinate 8 in Germany)

This Chinese interviewee changed his Chinese cultural identity as he places less emphasis on interpersonal harmony at work. By separating his professional-life-identity from his private-life-identity, he does not consider criticism as a face threat, or even as an act of interpersonal unfairness, but interprets it as a fair chance to improve and to grow at work. By doing so, he is able to adapt to the German's straightforward and less compassionate working culture (Brodbeck et al., 2002). Another Chinese subordinate explained how the knowledge process about the German culture made her draw comparisons to the Chinese working culture and how she integrated the procedural justice aspect voice into her fairness repertoire:

In the beginning everything is strange and it is very difficult. The first step is to *know*. After a while it is not so difficult anymore, you just have to *know* things, you need to say: "The [Germans] are just like this, this is how they behave, you *learn* about them, you *learn* to understand them and you can talk about these differences"...Now I would say that it was not so difficult to get adjusted [to working with a German supervisor], but I also had a couple of learning processes to tackle. (Chinese subordinate 9 in Germany)



Our findings coincide with previous cross-cultural research which has shown how acquiring knowledge of the other culture affects the cultural identity negotiation process (Brannen and Salk, 2000) and helps individuals to adjust to the corresponding culture (Molinsky, 2007).

Based on the mentioned quotes and the above cited literature we can suggest that the acquisition of knowledge of the culture of the supervisor helps subordinates to adjust their fairness perceptions accordingly. We therefore propose:

***Proposition 3a: A high (low) degree of the subordinate's knowledge of the supervisor's culture affects his or her negotiation process in a way that contributes (is detrimental) to the development of shared fairness perceptions.***

*Supervisor's knowledge of the subordinate's culture.* Our data equally reveal that knowledge of the subordinate's culture also helps the supervisor to negotiate their cultural identity in a way that they can contribute to a shared understanding of fairness perceptions. More specific for supervisors is that they receive cross-cultural trainings more frequently. A German supervisor illustrated how the knowledge he obtained in such training impacted his leadership behavior:

I learned about the concept face in a cross-cultural training. The trainer explained how difficult it is for Chinese to digest criticism. I would say I am polite, but with Chinese I try to be extra careful. (German supervisor 5 in China)

Also subordinates testified to this, as the following quote illustrates:

The most important thing is to understand [the other culture]. There are a lot of books and a lot of seminars on how to understand how to approach employees, how to talk with them, motivate them and how to treat them well. What does it mean to treat somebody [of the other culture] well, how do they feel appreciated. [Supervisors] need to learn how to find this bridge. (Chinese subordinate 10 in Germany)

Acquiring knowledge in form of cross-cultural training also activates the cultural identity negotiation process (Brannen and Salk, 2000). Therefore, we propose:

***Proposition 3b: A high (low) degree of the supervisor's knowledge of the subordinate's culture affects his or her cultural negotiation process in a way that contributes (is detrimental) to the development of shared fairness perceptions.***

### ***2.5.4 The Impact of Transparent Communication of the Fairness Perceptions by the Respective Counterpart on Fairness-Related Cultural Identity Negotiation***

Our data revealed that the contextual moderator, transparent communication of the fairness perceptions by the respective counterpart, has an impact on the cultural identity negotiation of

both, the subordinate and the supervisor, which ultimately affects their contribution to a shared understanding of fairness perceptions.

*Supervisor's transparent communication of fairness perceptions.* A Chinese subordinate provided insights on how his fairness perceptions changed after his supervisor took the time to illustrate his expectations at work:

Germany is fair because if you make a mistake you can use logics to explain why you made a mistake...In China people are more result-oriented. In China they are very afraid of failure. If the employee gets a difficult task and fails, he will have a lot of pressure. He will think that the boss is unfair, he will think: "If I get a difficult task, how am I able to do it? Why do I always get the difficult tasks?" In Germany, he doesn't even get more [money] for doing this difficult task. But the German manager decides that an employee, who knows how to deal with a specific problem, gets such a task. But the [Chinese] employee is tired of always getting the difficult tasks, so he might fail. In this respect, the definition of fairness is different. For Chinese, fairness means a personal balance, to balance the difficulty of the work, there will be easy tasks and difficult tasks for you...In Germany there is more a logical balance. The employee can explain to the boss why he made mistakes and the boss understands...This was very difficult for me because I always got the difficult tasks. But my [German] boss explained to me why he gave me the difficult tasks and that I did not have to feel pressure if I made a mistake. I could understand this different logic. Now I see that my German manager was actually very good. (Chinese subordinate 11 in Germany)

Once again, this quote illustrates how Leventhal's consistency rule of procedural justice is interpreted differently. We found that Chinese supervisors are regarded as fair by their subordinates, when they distribute difficult tasks evenly among them. This way, every subordinate has an equal risk to make a mistake. In the Chinese context this is more of a problem, as making a mistake is associated with a loss of face (Kim and Nam, 1998). By contrast, in Germany, employees actively seek challenges and mistakes are less seen as a threat (Frese, Kring, Soose and Zempel, 1996). Therefore, German supervisors are perceived as fair by their subordinates, when they are constantly challenging their employees according to their abilities. Pushing them to their limits is not seen to be unfair as subordinates are given the opportunity to grow. In the above mentioned case, the act of transparent communication of the German supervisor's expectations and the explanation of his behavior helped the Chinese subordinate to reassess his own fairness perceptions (see also Shapiro, Buttner and Barry, 1994). Conversely, our German participants pointed out similar aspects when being asked how they developed a common ground of fairness when working together with their Chinese supervisor:

[Through] open communication and transparent and plausible behavior. Fairness is based on values, principles and logics. It can be understood as an objective behavior. (German subordinate 3 in China)

Another German interviewee claimed that his relationship to his supervisor and ultimately his fairness perceptions in the new working context were shaped by the proactive, transparent communication by his Chinese supervisor:

She briefed me very intensively, showed me everything and explained the expectations. Whenever I had questions on how to do things or on how to accommodate to her, she always found the time to engage in a little discussion to talk about her expectations and targets. (German subordinate 4 in China)

Based on our data we therefore propose:

***Proposition 4a: Transparent communication by the supervisor of his or her fairness perceptions and expectations affects the subordinate's cultural negotiation process in a way that contributes to the development of shared fairness perceptions.***

*Subordinate's transparent communication of fairness perceptions.* Our interviewees also disclosed an adjustment of the supervisor's perspective on fairness when receiving feedback from their subordinates. A Chinese supervisor working in Germany explained how Germans and Chinese differ in how they interpret what we call distributive justice:

You know the word 'duō láo duō dé' (if you work more, you can get more). We think that's fairness. That's why the Chinese managers they try their best to observe the people. To communicate with the people, to understand the performance. And then, when salary increases or bonuses are paid, they make really good distributions. But German managers in China, the distribution in China is always worse. I can say for example if we talk about bonus in China, my experience is that only Chinese managers said "Give this guy 0 bonus" or "Give him a 100 bonus". But to German managers, you can always say "Oh, we know this guy is not so good, but I think still give him 20 bonus." and "This guy is really excellent, okay, try to balance, give him 80." Chinese give 0 or 100, and Germans 20 and 80 or even 40 and 60 in these situations. (Chinese supervisor 2 in Germany)

Later, our interviewee revealed how he had adjusted his distribution policy according to German expectations in the course of his international assignment:

I talked with other people and I can understand now that in Germany I can't be so strict with the bonus like in China. Also with other topics, people came to me and explain their perspective and I can give them my perspective. This is also why I came to Germany, to change my perspective with every discussion, to learn. Now, I know more about the country, the welfare system. For example everybody has access to benefits, it is more balanced. Now I know it is better here to give some bonus to people who do not perform well. (Chinese supervisor 2 in Germany)

After having been exposed to a different cultural context for a longer time our respondent adapted his behavior to the expectations of his work environment. This adjustment was only possible after his subordinates informed him about local customs and expectations. However, this Chinese supervisor also clarified that this adjustment will only persist as long as he will stay in Germany.

A German supervisor working in China informed us about his experiences on what research defines as interpersonal justice. When he tried to solve conflicts that arose within his team, he did so the direct German way without inquiring about the local approach for conflict management:

I did something which is probably very wrong in the Chinese context. I asked the person who was responsible for the mess to come to a room with me and yelled at him. Now I know that this behavior was not entirely cross-culturally correct. (German supervisor 6 in China)

In a later case he received advice from a Chinese employee:

We were going to have dinner in a restaurant, drank a lot of alcohol and now everything seems to be ok again. This was a very different solution technique. It is a very different approach, but it works. I by myself would have handled the situation differently, but this way it worked just fine. (German supervisor 6 in China)

Particularly for Chinese, conflict management is an essential part of demonstrating fairness (Chen and Tjosvold, 2002). Fair conflict management from a Chinese perspective involves face-saving techniques, such as the avoidance of open criticism. If somebody's actions need to be criticized, using circumlocution and equivocation are appropriate linguistic strategies (Cardon et al., 2003). Equally, resolving conflicts in informal contexts is a culturally adequate approach among Chinese (Fu and Yukl, 2000). However, in the above mentioned context, the German supervisor did not know about the local customs or at least about how to act accordingly as a supervisor. With the help of feedback provided by his Chinese subordinates, he learned how to behave appropriately in this cultural context.

In both situations, the Chinese and the German supervisors used transparent communication by their subordinates to understand local fairness expectations and subsequently to reassess and adjust own fairness perceptions. We therefore propose:

***Proposition 4b: Transparent communication by the subordinate of his or her fairness perceptions and expectations affects the superior's cultural negotiation process in a way that contributes to the development of shared fairness perceptions.***

### *2.5.5 The Impact of Cultural Discrimination by the Supervisor on Fairness-Related Cultural Identity Negotiation by the Subordinate*

Our interviews revealed two further contextual moderators impacting on the cultural identity negotiation process. However, unlike all previous moderators, they apply only to subordinates, not to supervisors. The first one relates to cultural discrimination. In our interviews, subordinates complained about being treated unfairly because they were being discriminated against. When Chinese were asked about acts of unfairness, they reported incidents of discrimination in a way that they do not have the same promotion opportunities as Germans do. These cases relate to procedural justice:

I think I will never be asked [to be promoted] because of this mistrust. I believe once more it is because I am Chinese, a Chinese in Germany, I will always be seen as a Chinese and I am being taken advantage of, when needed. There is just mistrust in general; I need to be very careful about what I say. (Chinese subordinate 12 in Germany)

In a similar vein, another Chinese reported:

As a Chinese I don't have as many development opportunities. This is an aspect which I need to put up with...that I can only develop myself professionally to a certain degree. (Chinese subordinate 13 in Germany)

Equally, a German subordinate felt discriminated because he has not been integrated sufficiently at the workplace. He explicitly claimed this to be an act of interpersonal unfairness by his supervisor:

I heard that Chinese have their networks at work, but somehow I couldn't enter the circle. When we went out for lunch, most of the time they spoke in Chinese. Then I felt even more excluded...For the most part I get along with my [Chinese] supervisor. But I still hold a grudge that he never made an effort to integrate me in the group. I think this was not fair. (German subordinate 5 in China)

Furthermore, we also found evidence for discrimination based on ability- and integrity-based mistrust. Ability-based trust refers to task-related competences being ascribed to the trustee, while integrity-based trust is ascribed to the trustee, when he adheres to principles that are accepted by the trustor (Mayer, Davis and Schoorman, 1995). A Chinese employee (Chinese subordinate 3 in China) reported for example a case of ability-based mistrust, stating that German supervisors follow the "prejudice that Chinese cannot get a job done anyway". The same interviewee revealed that his German supervisor leaves the impression that because the respondent "is not European but Chinese, he needs to double-check on his work." Similarly, another Chinese reported:

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[My Chinese colleague] is never being asked to do a special job because he is Chinese. Even though he is acquainted with both perspectives: the German and the Chinese one, but they still do not give him the opportunity to perform because they ignore his competence...As a Chinese you cannot have a successful career here. (Chinese subordinate 14 in Germany)

These critical incidents are related to Leventhal's consistency rule of procedural justice (Leventhal, 1980) as Chinese employees do not receive the same opportunities as German employees do.

Cases of integrity-based mistrust are also abound:

We Chinese do not have the same opportunities as the Germans do. It is so difficult for us as Chinese...There is simply mistrust, there is the fear that we are representatives of the competitor. (Chinese subordinate 15 in Germany)

Germany is one of the internationally most successful export nations which relies on the continuous innovation of complex industrial products in various fields (Simon, 2009) and entrepreneurs and managers are particularly concerned with intellectual property infringements and knowledge drain to China (Devonshire-Ellis, Scott and Woollard, 2011). Research on this phenomenon coincides with our findings that even Chinese employees working in Germany face extensive mistrust by their German supervisors and colleagues. In this respect, a Chinese employee illustrated his experiences:

Actually within the first three months working here my impression is there is something going on between [me and] Germans, especially when you are a Chinese and the key word of that is trust. Because I had one info-trip in April and I was told by my supervisor that if I walk everywhere or in the plant there will be a problem, an invisible problem about trust and that means for some areas maybe I have problems I cannot go in, I cannot enter...He said: "This is not because of you, this is because of in the past has really something happened." And he told me that a Chinese guy was here for two weeks or three weeks business trip and then after a while he went back to China and he quit the job and he built his own machines...But for me that guy cannot represent whole China. But I know this is a trust problem or a psychological thing and cannot be built in a short time, this is for sure. (Chinese subordinate 16 in Germany)

These quotes indicate that mistrust and discrimination are merely based on the cultural background of the interviewees, which again serve as examples of interpersonal injustice. While the relationship between organizational justice and discrimination has been widely discussed before (Lind, Greenberg, Scott and Welchans, 2000), there is only little research on workplace discrimination in a cross-cultural context (Harris, Lievens and Van Hoye, 2004). Relevant literature applicable to our research context explains which cultural group individuals would be considered as a referent to draw social comparisons in situations of

unequal treatment (Chen et al., 2002). These studies have revealed that in specific contexts, Chinese employees did not regard Western individuals as a referent for social comparison as both groups were too dissimilar in many ways. However, in our research context, Chinese subordinates generally chose dissimilar German peers as a referent to draw social comparisons and claimed that they wanted to be treated just like Germans: “In Germany I expect fairness from my boss. I want to be treated exactly like a German.” (Chinese subordinate 17 in Germany)

Another Chinese reported a similar attitude:

Here in Germany, the entire environment is different. I want to say, even though I am a foreigner, I want to be treated exactly like the German employees. This is very important for me. (Chinese subordinate 18 in Germany)

Our interviewees, no matter whether Germans or Chinese, were very sensitive towards acts of cultural discrimination in form of interpersonal and procedural injustice. Whenever a supervisor engaged in justice insensitive behavior by committing an act of cultural discrimination, the shared understanding of fairness perceptions between supervisor and subordinate was jeopardized. We therefore propose:

***Proposition 5: Cultural discrimination by the supervisor affects the superior’s cultural negotiation process in a way that is detrimental to shared negotiated fairness perceptions.***

### ***2.5.6 The Impact of Interpersonal Sensitivity of the Supervisor on Fairness-Related Cultural Identity Negotiation by the Subordinate***

Our data indicate that interpersonal sensitivity is equally a contextual moderator which only affects the subordinate’s identity negotiation process with respect to fairness perceptions. Interpersonal sensitivity of the supervisor can be defined as the care and sensitivity which supervisors bestow on their subordinates when making organizational decisions (Bies and Moag, 1986). Numerous Chinese interviewees related to interpersonal sensitivity, when they assessed the fairness of their German supervisors. For example:

Yes, for the boss I like that he has an open-mind. That he also takes the Chinese perspective into consideration. Also sometimes we have Chinese mind-set, when we work together. (Chinese subordinate 4 in China)

Another Chinese respondent explained that his German supervisor was fair because they engaged in small-talk and he gave some advice unrelated to the work context:

My supervisor is super nice, like parents to their children. And every time we have a weekly review the first four weeks most of the time we were talking about where you can buy vegetables and where there is a good supermarket, where you can buy fresh meat and where you should go, where you can buy wine. There were very few things about work. (Chinese subordinate 5 in China)

These findings are of interest in several ways. First, while most organizational justice research has focused on interpersonal sensitivity with regards to particular professional decisions (Greenberg, 1993; Margolis and Molinsky, 2008; Molinsky and Margolis, 2005), we follow Chen et al.'s (2002) approach, by considering not only professional but also private aspects. Here, we noticed how important the private sphere was for the Chinese subordinates' fairness assessments. Second, according to Guo and Miller (2007), *caring* is a Chinese emic-specific fairness dimension. Therefore, it is noticeable that the German supervisor adopted this Chinese specific fairness dimension, given that Germans tend to separate business and private life (Trompenaars and Turner, 1998). Still, also German interviewees noted how fair it was of their Chinese supervisor to not only focus on work-related aspects, but also to spending private time with them:

My boss and I went to have dinner together, not business-related, but on a private basis. We had nice conversations...and I even got invited by her. Yes, for private matters I have experienced a lot of support, even I have only been here for two months that time. (German subordinate 6 in China)

When Chinese respondents assessed the fairness of their German supervisors, they frequently did not only point out intercultural sensitivity traits, but also depicted them as culturally empathetic persons:

Honestly, I have to say that I am very happy that my current boss is a very warm person. The chemistry is correct and we have a very good mutual understanding, maybe also because he is a fan of China. (Chinese subordinate 6 in China)

He listens to the needs of the employees very good and stands on their sides to analyze and give some suggestions and warmth. Not only to communicate, but also to help people from the heart. (Chinese subordinate 1 in China)

These findings support extant literature defining a culturally empathetic leader as being able to adapt his behavior to his subordinates' needs, rendering them highly effective for intercultural communication (Batson, 1991). By showing interpersonal sensitivity, supervisors were accepted and respected by our interviewees. In this respect, our research also follows the call by Margolis and Molinsky (2008) to further investigate the outcomes of interpersonally sensitive behavior by the supervisor, which in our case is the facilitation of shared fairness



perceptions. With regards to our research setting, our data revealed that Chinese supervisors working both in Germany and in China generally showed a high degree of interpersonal sensitivity across the groups, while the interpersonal sensitivity was more noticeable for the German supervisors that worked in China than for those who worked in Germany.

Interpersonal sensitivity seems to support the subordinate's cultural identity negotiation process in a way that supports the development of a common fairness understanding between subordinate and supervisor. We therefore propose:

***Proposition 6: Interpersonal sensitivity of the supervisor affects the subordinate's cultural negotiation process in a way that contributes to the development of shared fairness perceptions.***

### 2.6 Discussion and Conclusions

We have shown that fairness perceptions in a cross-cultural context are far more complex than previous studies have indicated. Even though sporadic organizational justice studies show that fairness assessments are prone to change (Hollensbe et al., 2008; Jones and Skarlicki, 2013), the few studies which looked at a cross-cultural context neglected these relations to a great extent, at least implicitly assuming that employees working in a cross-cultural environment preserve their original fairness perceptions. To correct this view, we introduced concepts of cultural identity negotiation theory to organizational justice research. On this basis, we developed a comprehensive framework to explain how subordinates and supervisors of different cultural backgrounds revise their original, home culture-based fairness perceptions.

As social-entity-based justice, respectively fairness, particularly with a cross-cultural focus, is a largely understudied research area (Hollensbe et al., 2008), we applied an inductive, qualitative research design. Specifically, we decided to conduct semi-structured interviews, which helped us to obtain rich information about our interviewees' subjective perceptions (Pudelko, Tenzer and Harzing, 2015; Tenzer and Pudelko, 2015) in order to understand more about their inner events, such as beliefs, decisions and emotions (Tenzer and Pudelko, 2016; Weiss, 1994). Furthermore, this inductive approach shed light on complex phenomena (Suddaby, 2006) such as fairness perceptions (Hollensbe et al., 2008) and assisted in building robust mid-range theory (Eisenhardt and Graebner, 2007) in form of an empirical model which illustrates the approximation of fairness perceptions in cross-cultural workplace settings.

More specifically, our data show that working in a cross-cultural environment implies a confrontation with fairness perceptions which are different from the own. This confrontation triggers a cultural identity negotiation process resulting in a reassessment of one's own value orientations. We also identified a series of personal and contextual moderators of the subordinates' and supervisors' cultural identity negotiation process with regards to fairness perceptions: *cultural preservation* and the *knowledge of the counterpart's culture* are personal moderators which we recognized for the cultural identity negotiation process of both, subordinates and supervisors. *Transparent communication of fairness perceptions by the counterpart* is a contextual moderator that we equally uncovered to moderate the cultural negotiation process of both, subordinates and supervisors. By contrast, *cultural discrimination by the supervisor* and *interpersonal sensitivity of the supervisor* are two contextual moderators which we only found to be pertinent for the subordinate, and which do not have an equivalent for supervisors. In addition, our data suggest that the cultural negotiation process leads to a reevaluation of the importance employees attach to fairness as such and, additionally, to a reassessment of own fairness perceptions. The latter occurs in such way that these perceptions are likely to change in the direction of the other party's perceptions. This mutual approximation contributes to the development of partially shared fairness perceptions. In contrast to previous cross-cultural studies on organizational justice, which regard fairness perceptions as static or immutable constructs (see also Leung, 2013), our findings reveal that fairness perceptions are of dynamic nature. These findings, which describe fairness perceptions as culturally dynamic and adaptive constructs, coincide with previous international business and psychology research (Bond, 2010; Leung et al., 2005), suggesting that values, beliefs and behaviors are not static, but adaptive according to the cultural context one is exposed to.

We introduced a model about how shared understandings of supervisor-based fairness can be achieved in a cross-cultural setting. By examining the more inclusive and comprehensive entity-based fairness assessments, we follow recent organizational justice research which claims that an event-based approach is incomplete (Cropanzano et al., 2001; Hollensbe et al., 2008). Furthermore, we showed that fairness perceptions are not static, but can be adjusted according to different cultural contexts one is exposed to. Our research also helped us to confirm the existence of China-specific relevant justice dimensions (such as care) (see also Guo and Miller, 2009) in a German work environment that have previously been largely ignored in Western justice literature. Furthermore, as most existing organizational

justice research has focused on the subordinates' view only, we included the supervisors' perspectives as well. In order to obtain a comprehensive understanding about the fairness perceptions of both, subordinates and supervisors, we gathered a highly differentiated data set across countries, nationalities and organizational roles, including also 25 cross-cultural supervisor-subordinate dyads. In this vein, most previous cross-cultural (organizational justice) studies in a hierarchical context focus on Western supervisors of Asian subordinates (Chen et al., 2002; Hon and Lu, 2010; Leung, Wang and Smith, 2010), whereas our study also included Chinese supervisors and German subordinates to integrate all relevant perspectives. This also helped us to reveal country- and group-specific differences: (1) Subordinates of both cultures negotiated their cultural identity with regards to fairness generally to a higher degree than the supervisors of both cultures did. We explain this notion with hierarchical status expectations implying that from the viewpoint of the supervisor, the other part of the dyad should adjust their behavior. (2) Supervisors working in their home country context engaged in smaller efforts to culturally adapt their fairness perceptions compared to their subordinates as a result of perceived home country advantage.

Our study has also significant practical implications. First, supervisors and subordinates need to make up their mind about the extent to which they wish to preserve their own, culturally embedded fairness perceptions when being exposed to a cross-cultural environment. They need to understand that the more they try to cling to their original fairness perceptions, the more likely this will result in intercultural conflict (Gelfand, Erez and Aycan, 2007). Second, as we established that knowledge about the other party's fairness perceptions is an important contributor for triggering the cultural identity negotiation process in the direction of a mutual understanding of fairness, such knowledge, for example through cross-cultural trainings, needs to be actively enhanced. Third, being transparent about one's own expectations and showing a high degree of interpersonal sensitivity are important mechanisms for supervisors to increase the likelihood for the subordinates to adjust their fairness perceptions in the direction of a shared understanding of fairness.

To conclude, we suggest that more research is needed to study fairness perceptions in cross-cultural contexts. While we limited our in-depth, qualitative research to Germany and China, future studies could investigate entity-based fairness perceptions in other countries to unveil possible further emerging justice rules. Another limitation of our study is the exclusive focus on the subordinate and supervisor as social entities. However, entity-based justice research also encompasses entities such as colleagues and entire organizations (Cropanzano et

al., 2001). Future research could study how these social entities also shape fairness perceptions in a cross-cultural working context. Another limitation is our strong focus on the production sector. Therefore, it would be intriguing to find out more about the notion of cross-cultural fairness perceptions in other industries as well. Future studies can also apply a longitudinal approach to obtain more accurate information about facilitators, inhibitors and stages of the development process of shared fairness perceptions. Despite these limitations we believe that our new theory about the dynamics of fairness perceptions of subordinates and supervisors via cultural identity negotiation processes, which lead to an approximation of both perceptions and ultimately to a partially shared understanding of fairness, has substantially advanced cross-cultural organizational justice research.

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### **3 The Formation of Fairness Perceptions and Responsive Behavior of Chinese Employees Towards their German Organization**

#### **3.1 Abstract**

Our explorative, qualitative study reveals how Chinese employees of German companies (in-patriates working at headquarters and locals working for subsidiaries) assess the overall fairness of their employing organization and how they translate their fairness perceptions into a responsive behavior. Our analysis is based on 66 semi-structured interviews with Chinese in-patriates working at German headquarters and Chinese host country nationals working for subsidiaries of German companies in China. Our findings illuminate which factors Chinese employees consider when assessing the overall fairness of their employing foreign organization. We demonstrate that yet undiscovered factors emerge, which go beyond the four seminal, Western-based justice dimensions of distributive, procedural, interpersonal and informational justice. Furthermore, our findings suggest that organization-based fairness is far more associated with the role of the supervisor than most of extant Western research suggests. Finally, as a consequence of the difference in location, we found that Chinese local employees working in China also direct their behavior in response to their organization-based fairness perceptions mostly towards their supervisors, while Chinese in-patriates undergo a cultural identity negotiation process, directing their responsive behavior mainly towards the overall organization.

#### **3.2 Introduction**

Over the past decades, scholars have devoted significant attention to organizational justice and its effects at the workplace (Colquitt, Scott, Rodell, Long, Zapata, Conlon and Wesson, 2013; Cropanzano, Byrne, Bobocel and Rupp, 2001; Greenberg and Colquitt, 2013; Lavelle, Rupp, Manegold and Thornton, 2015; Masterson, Lewis, Goldman and Taylor, 2000). Whereas most of the organizational justice and justice effects research has been conducted in a *single-country* setting, mostly in the U.S., *international* justice research has only since more recently been on the rise (Schilpzand, Martins, Kirkman, Lowe and Chen, 2013; Shao, Rupp, Daniel, Skarlicki, Kisha and Jones, 2013; Leung, 2013; Vogel, Mitchell, Trepper, Restubog, Hu, Hua and Huang, 2015). However, most of these international studies merely have investigated organizational justice from a *comparative* point of view, mostly comparing the

U.S. and the Chinese context (Lam, Schaubroeck and Aryee, 2002; Li and Cropanzano, 2009; Wang, Hinrichs, Prieto and Howell, 2010). By contrast, only very few international organizational justice studies have taken a *cross-cultural* approach, studying fairness perceptions of organizational members working for foreign organizations (e.g. Chen, 2010; Fernandes and Awamleh, 2006; Hassan and Hashim, 2011). Given the increasing importance of globalization and the resulting high amount of employees working for foreign-owned organizations, it is surprising how little research has been conducted on cross-cultural organization-based fairness perceptions. Particularly with the rise of differentiated international assignment strategies, such as expatriation and inpatriation, it appears to us of increasing importance to study fairness perceptions of employees who are exposed to a foreign organizational environment, given their relevance for job satisfaction, organizational commitment and to reduce turnover intentions (Black, Mendenhall and Oddou, 1991; Chen, 2010; Fernandes and Awamleh, 2006; Hassan and Hashim, 2011; Maley, 2009). What still is missing is a framework depicting how employees form fairness perceptions about the foreign organization they are working for. With our study, we intend to address this important gap.

Furthermore, most of single-country or international organizational justice research has applied the *event-based paradigm* (see also Shao et al., 2013), which focuses on fairness perceptions and reactions of one specific event only, such as a lay-off or pay raise (Brockner and Greenberg, 1990; Folger and Konovsky, 1989). The *social entity-paradigm*, on the other hand, addresses the overall fairness of a social entity (such as an organization or a supervisor), which can only be assessed over time and across many situations (Cropanzano et al., 2001, Jones and Skarlicki, 2013; Zacks and Tversky, 2001). Organizational justice researchers have repeatedly pointed out that the event-based approach is not suitable to assess the fairness of an entity (such as an organization), as it is too limited to capture the complexity of all relevant aspects that come into play when the fairness of an entity is being evaluated (Cropanzano et al., 2001; Hollensbe, Khazanchi and Masterson, 2008). Even more, these studies reveal conceptual differences in how fairness of different entities such as the organization, the supervisor or colleagues is being assessed within the entity-based paradigm, making it indispensable to investigate each entity for itself. We therefore intend to carve out all relevant aspects which are linked to organization-based fairness perceptions (see also Hollensbe et al., 2008).

Another limitation of much of previous cross-cultural organizational justice studies is the exclusive focus on the four seminal justice dimensions *distributive*, *procedural*,

*interpersonal* and *informational justice*. Some researchers already have pointed out that this approach is incomplete at best, as certain justice effects, in particular in a non-Western context, cannot be captured by these traditional, Western-based justice dimensions (Hollensbe et al., 2008). Specifically in an Asian context, employees appear to have different conceptions about workplace fairness, which are not being adequately assessed by current Western scales and dimensions (Chen and Jin, 2014; Guo and Miller, 2009). Furthermore, cross-cultural entity-based justice studies do not differentiate between the entities supervisor and organization, leaving notable room for interpretation which specific fairness aspects are associated with the supervisor and/or with the organization (Hollensbe et al., 2008). Our study will attempt to capture in a more comprehensive way the key factors concerning organization-based fairness perceptions for this particular cross-cultural context.

An extension to organizational justice research is the multifoci approach which investigates how specific sources of justice (such as an organization or a supervisor) correspond with certain justice reactions (such as trust, commitment, identification or citizenship behavior) (Lavelle, Rupp and Brockner, 2007). While the multifoci perspective has been intensively applied in a mono-cultural context (Lavelle et al., 2007; Lavelle et al., 2015; Liao and Rupp, 2005; Rupp and Cropanzano, 2002; Skarlicki, van Jaarsveld, Shao, Song and Wang, 2016), multifocal studies in a cross-cultural context are particularly scarce (Chen and Jin, 2014). In our study, we intend to shed more light on the complex relationships between organizational fairness perceptions and its effects. Thus, our study will not only inform us about how organization-based fairness perceptions are being formed in a cross-cultural context but also how employees react to those fairness perceptions. This understanding will, in turn, assist organizations in influencing commitment and turnover intentions of their foreign workforce.

Additionally, as most organizational justice studies have been conducted in North America (Shao et al., 2013), we often do not know whether their research findings are generalizable across national and cultural contexts or not implicitly more than explicitly representing the rather particular cultural context of the U.S. and Canada. With our project we follow the call of colleagues (Tsui, 2004; Tsui, Nifadkar and Ou, 2007) to broaden the scope of countries serving as stage for organizational justice research.

Ultimately, scholars perceived a lack of research specifically on cross-cultural phenomena of Asian nationals working in Western organizational contexts (Gertsen and Soderberg, 2012; Takeuchi, Yun and Russel, 2002). We chose a setting that brings together an

Asian culture (China) as home country of foreign employees and a Western culture (Germany) as home country of employing organizations. This also allows us to introduce cultural contexts with substantial variety. Additionally, we included with Germany as the representative of the Western part some additional variety, by avoiding the predominantly referred to North American context. Germany appears to us due to its economic strength, its highly internationalized corporations and its different approach towards management (Pudelko, 2006) particularly interesting.

Acknowledging the substantial lack of previous research which (a) studies international organizational justice with a cross-cultural perspective; (b) follows the more holistic social entity-paradigm; (c) goes beyond the constraining focus on the four seminal justice dimensions; (d) investigates the complex relationships between organizational justice perceptions and resulting justice effects; (e) is not based on data from North America; and (f) addresses cross-cultural phenomena of Asians working in Western organizational contexts, we considered an inductive, explorative research strategy which is based on qualitative, interview-based research design to be most suitable.

Specifically, we interviewed 51 Chinese inpatriates working in German headquarters in Germany and 15 Chinese local employees working in German subsidiaries in China. This led to more than 70 hours of interviews, which were transcribed on almost 1000 pages.

Based on our extensive data set we develop a comprehensive two stage model, which unveils how Chinese employees form their overall fairness perceptions of their employing German organization (the first stage); and shows how those Chinese employees translate their fairness perceptions into specific behavioral responses (the second stage).

We will show that cross-cultural organization-based fairness perceptions are much more complex than previously assumed. First, our findings reveal organizational justice aspects which have not yet been covered by the four seminal justice dimensions, such as *language practices*, *career development opportunities* or *organizational culture*. Next, we show that due to the Chinese relationship orientation, the individual supervisor is much more regarded as the representative of the entire organization and, consequently, of organization-based justice than extant Western research has pointed out so far. We also show that, contrary to previous more comparative organizational justice literature, organization-based fairness assessments by Chinese employees are not static, but are adaptive to their environment, particularly regarding the aspects *voice* and *task autonomy*, as they undergo a cultural identity negotiation process which triggers them to change parts of their fairness conceptions. Finally,

whereas Western-based research suggests that organization-based justice is mainly reciprocated by actions towards the organization and supervisor-based justice by actions towards the supervisor, our study shows different results: the majority of Chinese employees working in China react to their fairness perceptions with responsive behavior towards their supervisors (as a result of their relationship orientation), while their Chinese counterparts working in Germany undergo a cultural identity negotiation process which lets them mainly respond towards the organization.

In the remainder of this paper we first give an overview of the literature on organizational justice and fairness perceptions in general, followed by responses to fairness perceptions as well as international aspects of organizational justice. Next, we will outline the qualitative methods we employed by specifying our research design, research setting, data collection and data analysis. Subsequently, we present our findings and introduce a framework which illustrates which criteria Chinese in-patriates working in Germany and Chinese local employees working in China associate with organization-based fairness and how they respond to these fairness perceptions. We conclude by discussing our results.

### **3.3 Theoretical Framework**

#### ***3.3.1 Organizational Justice and Fairness Perceptions***

Organizational justice, respectively organizational fairness, is one of the most prominent conceptual paradigms to explain workplace behavior and has triggered extensive research in the fields of organizational psychology, human resource management and organizational behavior (Colquitt, Conlon, Wesson, Porter and Ng, 2001; Cropanzano and Greenberg, 1997; Cropanzano et al., 2001; Greenberg and Colquitt, 2013). While the terms *fairness* and *justice* often characterize distinct concepts mainly within the philosophical discourse, we follow here the practice of most empirical social scientists who use the two terms largely interchangeably (Cropanzano and Stein, 2009) and therefore henceforth will employ the term *fairness*, unless we refer to organizational justice research which uses the term *justice*. Organizational justice can be defined as “perceptions of fairness in decision-making and resource allocation environments” (Colquitt and Rodell, 2011: 1183). According to Folger’s fairness theory (Folger and Cropanzano 1998, 2001) perceptions of unfairness arise in a scenario when a person can hold another responsible for threatening their well-being in a three stage process: First, the person who is forming perceptions of unfairness must be exposed to an unfavorable

outcome, which causes him to evaluate how another situation *would* have felt. Second, the perpetrator must be identified as well as his capability to *could* have acted differently. Third, it needs to be assessed whether the perpetrator violated a moral code in a way that he *should* have acted differently by moral conduct.

Two paradigms can be separated with regard to fairness perceptions: the *event-based paradigm* and the *social entity-based paradigm* (Choi, 2008; Cropanzano et al., 2001; Hollensbe et al., 2008). Event-based fairness perceptions relate to fairness evaluations which result from actions that take place at a specific point in time such as a performance appraisal (Taylor, Tracy, Renard, Harrison and Carroll, 1995) or a lay-off (Brockner and Greenberg, 1990). The event-based justice literature has dominated the field of organizational justice so far and distinguishes between four dimensions to evaluate the fairness of distinct incidents at the workplace: *distributive*, *procedural*, *interpersonal* and *informational justice*. Distributive justice relates to the perceived fairness of the outcomes of the allocation of goods with respect to equity, equality or need (Adams, 1965; Leventhal, 1976). Procedural justice evaluates the fairness of processes which are used to make decisions and considers rules such as consistency, voice, accountability and correctability (Colquitt et al., 2001; Leventhal, 1980; Nowakowski and Conlon, 2005; Thibaut and Walker, 1975). Interpersonal justice relates to perceptions of social treatment when procedures are enacted and outcomes are distributed (Bies, 2005; Bies and Moag, 1986; Bies, Shapiro and Cummings, 1988). Employees evaluate particularly the degree of politeness, dignity and respect they are treated with when assessing interpersonal fairness (Colquitt et al., 2001). Informational justice encompasses finally honest communication, proper justification of decision-making as well as information sharing (Bies, 1987; Shaw, Wild and Colquitt, 2003; Sitkin and Bies, 1993).

In contrast to the event-based paradigm, the social entity-based paradigm refers to the fairness of a social entity (such as an organization) which “persists over time and across situations” (Zacks and Tversky, 2001: 5). The social entity-based paradigm is therefore an important extension to the event-based paradigm as it is not restricted to the fairness assessment of one specific event only. By contrast, it incorporates in a more holistic fashion every single action of a social entity over time, often resulting in a continuous adjustment of fairness perceptions along different situations (Jones and Skarlicki, 2013). Furthermore, social entity-based fairness perceptions might not merely be the aggregation of isolated distributive, procedural, interpersonal and informational fairness assessments, but include additional factors, such as social information by colleagues as well as emotional cues (Hollensbe et al.,



2008). Interestingly, most of the empirical entity-based justice research has been conducted with a quantitative approach, which might be less appropriate for identifying aspects that lead to entity-based (un)fairness and go beyond the seminal dimensions of distributive, procedural, interpersonal and informational justice which have been developed under the event-based paradigm. We see here an important gap in the entity-based justice literature.

The entity-based paradigm in the field of organizational justice mainly focuses on the entities supervisor, organization, work groups or coworkers, whereas the entities supervisor and organization have received the most attention so far. We only found one empirical study which was teasing out all relevant aspects leading to the assessment of entity-based fairness of both supervisor and organization separately with a qualitative semi-structured interview approach (Hollensbe et al., 2008). The study reveals that each entity is associated with different characteristics when its fairness is being assessed. In our study, we therefore focus only on organization-based fairness, which allows us to capture and present in depth the complexity that comes along with the fairness evaluation of one entity (here: the organization) in a cross-cultural context only.

#### ***3.3.2 Responses to Fairness Perceptions***

Organizational justice researchers have not only investigated how employees assess the fairness of events or social entities but, furthermore, studied extensively outcomes resulting from (un)fairness perceptions (Aryee, Walumbwa, Mondejar and Chu, 2015; Masterson et al., 2000; Tekleab, Takeuchi and Taylor, 2005). For instance, employees' behavioral reactions to (un)fairness are particularly linked to organizational commitment (Bakhshi, Kumar and Rani, 2009) and organizational citizenship behavior (OCB) (Moorman, 1991). Organizational commitment can be described as the attachment of employees to an organization (Chen, Choi and Chi, 2002) and is associated with multiple manifestations, such as job performance or turnover intentions (Rupp and Cropanzano, 2002; Somers, 1995). OCB can be understood as extra-role contributions, which employees engage in and which extend their expected job duties (Organ, 1990).

Research also has shown that employees do not only consider different justice dimensions, but, additionally, link them to their various sources, i.e., the agents who engage in behavior which is evaluated as fair or unfair (Lavelle et al., 2007). Thus, procedural justice has mainly been associated with actions of the organization (as a system), while interactional justice (as a generic term for interpersonal justice and informational justice (Greenberg, 1993)

has mostly been linked to actions of the supervisor (as an agent) (Bies and Moag, 1986; Cropanzano and Prehar, 1999; Lavelle et al., 2007; Maltesta and Byrne, 1997; Masterson et al., 2000; Tyler and Bies, 1990). In a similar vein, researchers have also linked sources of (un)fairness with targets of (un)fairness reactions (Skarlicki et al., 2016). In this context, organization-based fairness perceptions have generally been associated with reactions directed at the organization (e.g., in form of organizational commitment), whereas supervisor-based fairness perceptions have been linked with reactions directed at the supervisor (e.g., supervisory commitment) (Cropanzano et al., 2001). These findings are already indicators of how important it is to distinguish between the two entities organization and supervisor in fairness assessments and outcomes. The multifoci approach suggests in this context that employees mostly direct their own reactions towards the perceived source of (un)fair treatment (Lavelle et al., 2007; Lavelle et al., 2015; Rupp and Cropanzano, 2002). However, sporadic evidence suggests that there are exceptions (Skarlicki et al., 2016). Byrne (1999) and Byrne and Cropanzano (2000) demonstrated that both social entities, organizations and supervisors, can both be held accountable for procedural and interactional justice. Furthermore, Rupp and Cropanzano (2002) and Lavelle et al. (2007) showed that fair behavior by the supervisor partly results in organization-directed citizenship behavior. These conflicting results call for more research to open the black-box of fairness-outcomes relationships. We hope to resolve the ambiguity of the above-mentioned findings, by linking (un)fairness perceptions with both their sources and their resulting behavior (Rupp, Bashshur and Liao, 2007).

#### ***3.3.3 International Aspects of Organizational Justice***

So far, most of the organizational justice literature has taken a mono-cultural approach, or at best a comparative perspective, juxtaposing two or more mono-cultural contexts and thus revealing the impact of culture on organizational justice (Li and Cropanzano, 2009; Pillai, Scandura and Williams, 2001). Specifically, culture has been described as affecting fairness perceptions on three levels: justice rules on the most abstract level, justice criteria on the middle level and justice practices on the most concrete level (Leung, 2013).

On this basis, extant comparative organizational justice literature already has found convincing evidence for differences in fairness perceptions and outcomes between various cultural settings (Chen and Jin, 2014; Shao et al., 2013; Wong, Ngo and Wong, 2006). For instance, a study conducted by Guo and Miller (2008) revealed that Chinese have a partially

different conception of (overall) fairness than Westerners do and therefore distinguished between etic (common) and emic (culture-specific) fairness dimensions. However, their study does not explicitly inform about which emic dimensions relate to organizational and which to personal justice, an aspect that we wish to address specifically for the case of organizational justice. Furthermore, Chen and Jin (2014) proposed to investigate the dimension *leadership justice* when assessing organizational justice in a Chinese context, which also demonstrates cultural context-specific variations.

While most of the scarce international organizational justice studies have taken a comparative perspective, there are only very few investigating instead fairness perceptions in *cross-cultural settings*, i.e., settings which study interactions across cultural boundaries. And those handful studies are first of a mere event-based nature and second limited to only specific justice dimensions such as distributive justice, for example, when investigating isolated aspects such as income disparities between local employees and expatriates (Chen et al., 2002) or job satisfaction as an outcome variable of distributive fairness (Leung, Smith, Wang and Sun, 1996). What so far still is missing is a study which focuses on how organization-based fairness perceptions generally are being formed across cultural boundaries and how employees respond to these fairness perceptions from a cross-cultural perspective. This appears to us a research question of major conceptual significance and considerable practical relevance. We will address this striking gap by first specifically investigating which aspects Chinese in-patriates and Chinese local employees of subsidiaries of German companies take into consideration when they evaluate the fairness of their employing organization; secondly, we will shed light on the yet understudied and ambiguous relationship between fairness perceptions and outcomes in a cross-cultural context, by identifying under which circumstances Chinese employees direct their responses of (un)fair treatment towards the German organizations they work for or towards other social entities, such as their supervisors.

## **3.4 Methodology**

### ***3.4.1 Research Design***

The cross-cultural formation of organizational fairness perceptions and their translation into a responsive behavior are still emerging research topics, with initial studies so far providing some first empirical insights but little theoretical conceptualization. Hence, we opted for an inductive, explorative research strategy which offers a suitable starting point for robust mid-

range theory building (Eisenhardt, 1989; Siggelkow, 2007). The richness of qualitative data helps to gain a deeper understanding of complex and dynamic phenomena in their cultural context (Birkinshaw, Brannen and Tung, 2011; Hollensbe et al., 2008; Tenzer, Pudelko and Harzing, 2014) which will allow us to pursue inductive theory building (Saunders, Lewis and Thornhill, 2009; Siggelkow, 2007). We decided for a semi-structured, in-depth interview design in order to learn about our interviewees' "interior experiences [...] what people perceived and how they interpreted their perceptions" (Weiss, 1994: 1), an aspect which was of particular importance to us, given our focus on fairness perceptions. We could adjust the questions to each interviewee to adapt to their individual circumstances which again helped us to make sense of their narratives (Myers, 2008; Weiss, 1994). More specifically, our interview-based research design is particularly appropriate to reveal the meanings, individuals associate with the specific processes and occurrences related to event-based fairness perceptions and the more holistic emotions and thoughts associated with entity-based organizational fairness perceptions (Colquitt, Long, Rodell and Halvorsen-Ganepola, 2015; Hollensbe et al., 2008; Saunders and Thornhill, 2003).

#### ***3.4.2 Research Setting***

We collected data from 51 Chinese inpatriates working in 16 companies in Germany and from 15 Chinese local employees working in subsidiaries of five German companies in China to investigate cross-cultural organization-based fairness perceptions and fairness-related outcomes. We kept the nationalities of employees on one side and the employing organizations on the other constant, to exclude effects deriving from differing cultural and institutional environments. However, by distinguishing between the headquarters and subsidiary context, we were able to obtain meaningful differentiated results which revealed to be important for our theory building. Participating corporations predominantly, but not exclusively, came from the automotive industry. This is a sector in which Germany has particular strengths, suggesting the application of overall successful management methods in our companies. To obtain evocative results, interviewees were selected via purposive sampling, a subcategory of theoretical sampling (Glaser and Strauss, 1967; Patton, 1990; Saunders et al., 2009). Purposive sampling is a technique to intentionally identify interviewees who represent specific predefined characteristics (Luborsky and Rubinstein, 1995), which are in our case the two categories of Chinese employees, inpatriates working at headquarters in Germany and locals working at subsidiaries in China. This approach is

appropriate to ensure an in-depth examination of phenomena relevant for our two sample groups and to provide detailed information for our research contexts (Saunders et al., 2009; Tenzer et al., 2014).

We chose Germany and China as countries of investigation for several reasons. First, the two countries are economically, politically but also culturally very different, as Germany is a low-context, horizontal-individualist country and China a high-context, vertical-collectivist country (Hall, 1976; Hofstede, 1980; Triandis, 1995). Second, Germany is the most important economy in Europe as China is in Asia. Third and conceptually most importantly, previous cross-cultural research has shown that Chinese have distinctly different fairness conceptions than Westerners (Chen and Jin, 2014; Guo and Miller, 2009). Fourth, up to date there are only very few studies on the relocation of Asian nationals to Western countries and its implications (e.g. Gertsen and Soderberg, 2012), implying manifold opportunities for theory building.

#### **3.4.3 Data Collection**

Access was gained through own professional networks, professional social network platforms as well as through HR managers. For the sake of “ecological validity” (Lee, 1999: 152), we interviewed across industries and functions (Hollensbe et al., 2008). Our 66 interviewees were exclusively white-collar employees, working in different departments, such as research and development, production, marketing and business development, and at different hierarchical levels, from assistant to managing director. 47 percent of our interviewees were male, 71 percent were younger than 35 years, 24 percent were younger than 45 years and 5 percent were 45 years or older.

Two Chinese and three German investigators conducted the semi-structured interviews. All interviewers have working and living experience in Germany and China and were able to communicate with the interviewees in either German, English or Mandarin Chinese, depending on which language the interviewees felt most comfortable with. A shared language helps the interviewer to better understand the interviewees’ work context (Tenzer et al., 2014), enhances interpersonal trust (e.g. Neeley, 2013; Tenzer et al., 2014) and encourages rich accounts and meaningful experiences (Rubin and Rubin, 2012).

As Chinese show a lower tendency towards sharing sensitive opinions due to face concerns, we paid particular attention to first facilitating socio-emotional trust relations (Ting-Tommey, 1991; Ting-Toomey and Korzenny, 1991). We approached this challenge by

devoting an extended amount of time at the beginning of the interview to introducing the interviewer to the interviewee. We did so by focusing on common aspects, such as living and working experience in the same country. Moreover, trust was additionally fostered by dinner invitations which preceded the interviews or by conducting interviews at the interviewees' homes to facilitate an informal atmosphere which allowed responding openly. Also, sensitive topics were shifted towards the end of the questionnaire to give the interviewee time to first become more comfortable with the interviewer.

The final semi-structured interview guide consisted of four parts. The first part covered personal demographics, such as age, gender, nationality, academic background, hierarchical status, job description, previous cross-cultural work experience, and organizational tenure. The second part focused on cultural identity negotiation in the current work environment by asking for personal values and behaviors which changed over time. Subsequent parts addressed organization-based fairness perceptions and responsive behavior towards those organization-based fairness perceptions. Except for the first introductory part, we asked particularly for critical incidents to obtain a better understanding of our interviewees' concrete feelings, thoughts and behaviors (Janssens, Cappellen and Zanon, 2006). All but two interviews were audio taped and transcribed verbatim to the suggestions of Kuckartz, Dresing, Rädiker and Stefer (2008). For the two interviews, where the interviewees did not want to have them recorded, we took detailed notes. English interviews were transcribed in English and German as well as Mandarin Chinese interviews in German or in English, depending on the language proficiencies of the researcher. Interviews lasted on average one hour and fifteen minutes with the longest interviews taking close to three hours. Overall, our interviews took over 70 hours, resulting in almost 1000 pages of transcript.

#### **3.4.4 Data Analysis**

As theory is derived in inductive theory building from patterns found in the data, it is important to reveal those patterns by thoroughly analyzing the data (Auerbach and Silverstein, 2003). In particular when the data is very complex, coding becomes an important tool. We employed for this purpose the qualitative research software atlas.ti. The first step in analyzing our data was the use of an open coding technique (Strauss and Corbin, 1998). During this stage, we labeled every passage with a specific code, for example "in vivo codes" which matched our interviewees' exact words. For instance, the quotation "My organization is fair because it gives me good career opportunities" was assigned the code "career opportunities".

Whenever passages were associated with existing theoretical concepts, we coded according to the appropriate research term (Strauss and Corbin, 1998). For example, the quote “I think the compensation package I receive during my assignment is fair” resulted in the code “distributive fairness”.

In the next step, we compared different parts of each interview to check its consistency. We merged different first-order codes into higher-order categories using the constant comparative method (Glaser and Strauss, 1967; Locke, 2001; Rynes and Gephart, 2004). For instance, the codes “career development opportunities” and “compensation practices” were consolidated into the code “organizational practices”. In a next step, we enhanced the conceptual level of our analysis by first comparing statements for organization-based fairness and organization-based fairness outcomes of members of the same category (either Chinese inpatriates or Chinese local employees) and then contrasting statements of members of these two categories. During this complex and iterative process, connections between the codes and superordinate categories emerged and we identified, for example, the categories “organizational practices at headquarters”, “organizational attributes at headquarters”, “supervisory practices at headquarters”, “supervisory attributes at headquarters” and “organization-related outcomes mostly relevant for inpatriates” which we all associated with Chinese inpatriates. By contrast, the categories “organizational practices at subsidiaries”, “organizational attributes at subsidiaries”, “supervisory practices at subsidiaries”, “supervisory attributes at subsidiaries” and “organization-related outcomes mostly relevant for locals” relate to Chinese local employees working in China. Through this coding process we noticed, for example, that the emerging superordinate category “supervisory-related outcomes mostly relevant for local employees” was empirically of relevance but not the category “supervisory-related outcomes relevant for inpatriates”. Throughout the coding processes we cycled back and forth between the data and the literature until no new categories emerged and theoretical saturation was reached (Locke, 2001). Lastly, we integrated our findings which emerged during our multi-staged complex coding process into a conceptual framework, ultimately illustrating how Chinese inpatriates and Chinese local employees assess organization-based fairness and how they respond to their fairness perceptions.

### **3.5 Empirical Findings**

In this section, we depict (1) which criteria Chinese inpatriates working in Germany and Chinese local employees working in China consider of relevance when assessing organization-based fairness and (2) how they react on the basis of these fairness perceptions. Our data reveal three key findings, the first two showing stark contrasts to findings which have been previously generated in a purely Western cultural context and the third one evidencing a cross-cultural adaptation process which, however, only takes place at headquarters but not at the local subsidiaries: (1) Chinese employees do not only take organizational factors into account when evaluating the fairness of their employing organization but also strongly consider supervisory factors (as supervisors are representatives of the organization); (2) Chinese employees do not only draw on the four seminal organizational justice dimensions that are usually referred to but also consider additional criteria; (3) Chinese inpatriates working at headquarters of German companies engage over time in a cultural identity negotiation process targeted at organization-related variables, while their Chinese colleagues working in local subsidiaries of German companies continue to react more on the basis of supervisor-related variables. We offer our resultant model in Figure 1.



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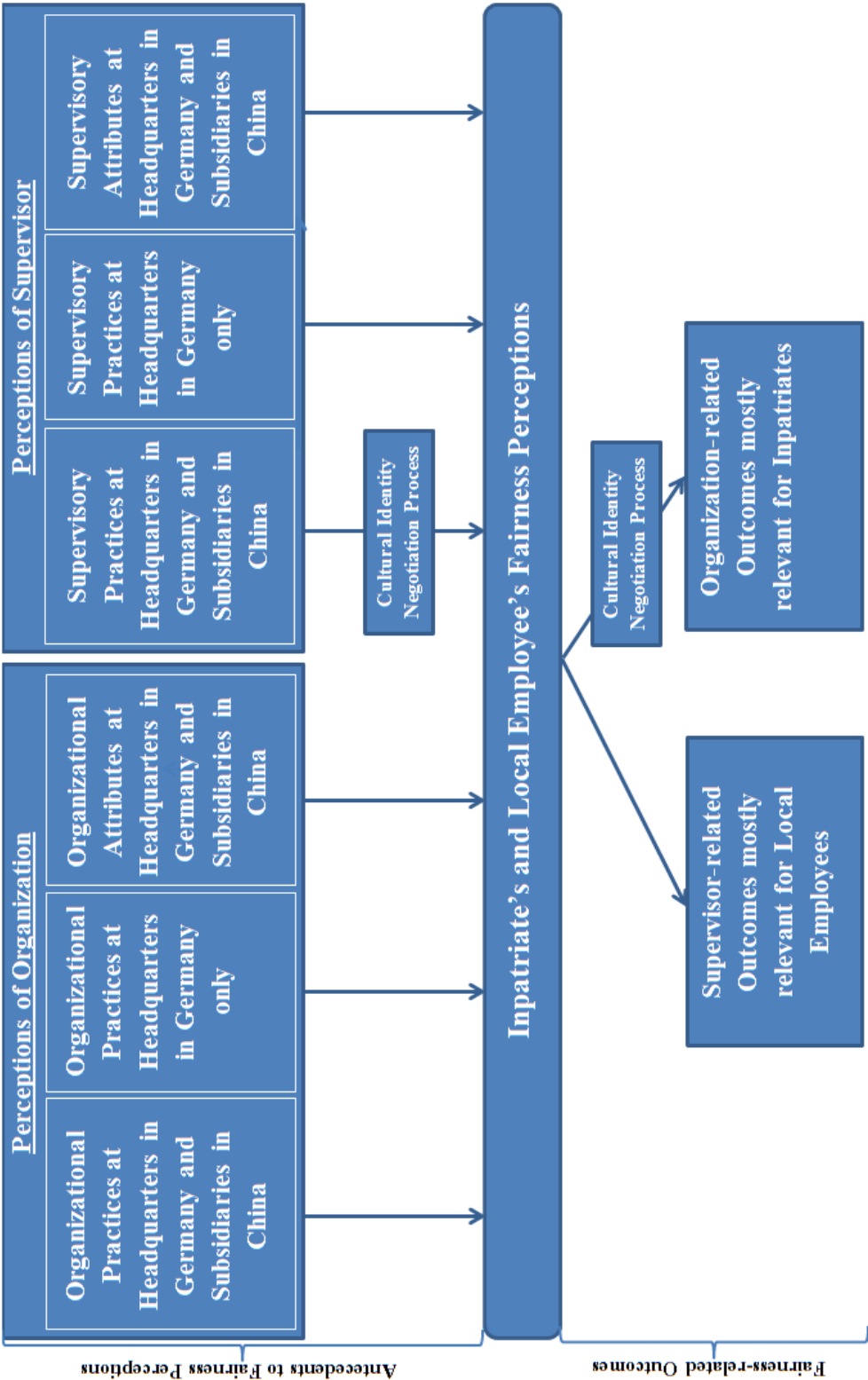


Figure 1: A Model of Organization-Based Fairness Perceptions and Responsive Behavior

### ***3.5.1 The Impact of Organizational Factors on Organization-Based Fairness Perceptions***

During our iterative coding process, we unveiled three *organizational factors* which our Chinese interviewees draw on when assessing the fairness of their organization: (1) *organizational practices at both, headquarters in Germany and subsidiaries in China* (identified by both, inpatriates and local employees), (2) *organizational practices at headquarters in Germany only* (identified by inpatriates only) and (3) *organizational attributes at both, headquarters in Germany and subsidiaries in China* (identified by both, inpatriates and local employees).

*Fairness perceptions about organizational practices at both, headquarters in Germany and subsidiaries in China.* Our interviews revealed that both Chinese inpatriates working in Germany and Chinese local employees working in China placed particular emphasis on *compensation practices* and *career development opportunities* when assessing the fairness of their employing organization.

Typical quotes regarding *compensation practices* are the following:

I expect a good salary for my work. This is also the spirit you find in the U.S.: In the U.S. you can say: “This is the best performer, this is a low performer and low performers earn less or even have to leave the company after one or two years.” But this is not the case for our company, you will not see this here, there is more equal pay and that is unfair. (Inpatriate 1)

It is unfair. If every day I work hard for eight hours and another person works hard for only four hours, then the salary is not much different. You don’t get enough money if you work hard. (Local 1)

Despite the fact that China formally still is a socialistic country, many of our interviewees who formed fairness judgments based on compensation practices were unsatisfied because of the small salary gaps in German companies which do not sufficiently consider in the eyes of our Chinese interviewees performance differences. Even though studies indicate that members from collectivistic societies such as China show higher preference for equality (Brockner et al., 2000; Leung, 2013; Leung and Stephan, 2001), there is a growing body of research indicating that particularly Chinese place a stronger emphasis on equity-based justice, which relates to a performance-based reward system, as a result of China’s rapid shift to a market economy (Chen, 1995; Choi and Chen, 2007).

Our interviewees also pointed out why compensation practices play such an important role and this in particular for Chinese men:

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For China salaries can be very different. It can be more than RMB 10.000 or just RMB 2.000. The gap really is big. So the motivation could be different. And also, the economic situation of the country is different. Here in Germany, even if you're a student you still can afford to rent an apartment or even drive a car. In China, especially for the young men who want to get married, they must buy a house or an apartment. It costs a lot of money, especially in Shanghai or Beijing, so this is what first determines the choice of company: How much money do I get? Is it enough money for a life? Can I earn more money if I work more or better? (Inpatriate 16)

Due to the substantial pressures to earn a good salary, Chinese are often dissatisfied with the German compensation system, which is based on a decent and stable base salary, which is supplemented only by a relatively small bonus, and thus does not aim at directly rewarding high performance. This often leads with Chinese to perceptions of organizational unfairness, an aspect which is clearly related to distributive justice.

Another important aspect of fairness perceptions of Chinese employees regarding organizational practices at headquarters and subsidiaries is *career development opportunities*:

My company provided me with very good opportunities. Based on my performance in China, they gave me the chance to develop in Germany. I think for this point I really appreciate this opportunity. (Inpatriate 2)

It is important that I have a perspective. This is really important in China because it comes from Confucius' principle of lifelong learning. For me, to have a perspective is so important, and that means that I need to be able to learn. For example, we have a performance review where we define our individual target for next year. What trainings do I need, I can choose all the things that I am interested in. Things are very professional and in my current phase I have a lot of options I can choose from. And from this point of view, my company is taking care of me, my growth, my perspective. That is fair and I feel very good. (Local 2)

Career development opportunities is an emergent fairness criterion, which is not related to the four seminal justice dimensions and thereby already indicates the limited scope most extant organizational justice research, which is confined to these dimensions.

The emphasis which Chinese employees put on self-development is not least a result of a historic heritage which dates back to Confucius times. Through the civil examination system in ancient China, which required years of arduous studying, people had the opportunity to obtain a highly reputable and secure government position, which was not based on birth but on meritocratic principles (Cheng, Xinhua and Xiaobo, 1999). Even during the time of the centrally planned economy under communism, education still played an important role for manpower planning (Cheng et al., 1999) and also in today's society, the importance attached to education and continuous self-development is unbroken (Dahlman, Zeng and

Wang, 2007). With this cultural heritage in mind, one can understand why well-defined career development opportunities form a key expectation Chinese employees have about an employing organization they would regard as fair (Bai, 2006; Cooke, Saini and Wang, 2014; Yao, Chang, Jin, Chen, He and Zhang, 2014).

Our findings also revealed that Chinese inpatriates do also expect a post-assignment plan by the organization:

The personal development is important. What can I learn here? New tools, new skills, this is what I mean. This assignment is not just because of my personal wish to live in Germany for two years. This is not the reason. The reason for me to be here is because the company should have a plan for the future of their employees. But this is something they need to plan better, they need to communicate this before sending me to Germany. The reason I mention this is because I am frequently asked: “What do you do after your assignment?” And I say: “I do not know, I haven’t got any specific plan.” (Inpatriate 3)

One major objective of inpatriation is the employees’ introduction to the company’s culture and practices which they can then bring back to their local subsidiary after their international assignment (Bonache, Brewster and Suutari, 2001; Harvey, Speier and Novicevic, 2000; Reiche, 2006). However, in many cases, our inpatriate respondents did not have any information about the further steps of their future career. This aspect can be related to informational unfairness, as our interviewees frequently complained about not receiving the necessary information.

*Fairness perceptions about organizational practices at headquarters in Germany only.* Our interviews further revealed that Chinese inpatriates (in contrast to local Chinese employees working for German subsidiaries in China) identified the following criteria as relevant when assessing the fairness of the headquarters in Germany they work at: *inclusion, language practices, relocation support and family support.*

Many Chinese inpatriates considered *inclusion*, both on a professional as well as on a private level, to be of major importance when evaluating the fairness of the German headquarters they worked for. Even though they are in Germany only for a limited time, on a professional basis, they want to be more included in the information and decision-making process, just like their German colleagues:

I only stay here for one year, but I also want to be involved in this company. I am working here for this department; therefore I also want to be a full member of this department. Not just some guy who comes to Germany for a little time. So I expect getting involved here, an expectation which is only fair. If there are some

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organizational issues, just keep me updated and informed. That would be fair. (Inpatriate 4)

In addition, by far most of our interviewed inpatriates also expected to get involved on a more personal base:

When I came here to Germany, I was very lonely and very sad. I was looking for contacts in the company but I was always rejected. I felt very isolated. Whenever I wanted to do something with my German colleagues, they only had their topics to talk about and they didn't want to spend time with me. They did not even have a guilty conscience for treating me like this; I was not involved at all. (Inpatriate 5)

In China there is a strong spillover effect between professional and personal life, resulting in frequent friendships at the workplace, whereas Germans segregate more strongly between professional and private life (Brodbeck, Frese and Javidan, 2002). As a result, Chinese inpatriates feel alienated due to the lack of personal support and informal exchanges which again leads to organization-based unfairness perceptions. This feeling of (lack of) inclusion serving as an antecedent to organization-based (un)fairness perceptions is also influenced by the way how the organization deals with diversity, both in a positive or negative way:

I must say that this company is perfect for me, it is very socially-minded. Foreigners working at this company are being treated very fairly. Fairness is one of the key values of this company. Here are Turks, Indians, Japanese, Chinese, we are all being treated equally. (Inpatriate 6)

On the other hand, we also found numerous examples of inpatriates feeling excluded and discriminated against by Germans:

I see that Germans are treated better or they see themselves superior to other nationalities. Maybe not necessarily every person, but in many cases it is like that. I wish the organization would do something about that. (Inpatriate 7)

Consequently, (lack of) social support and inclusion plays an important role in facilitating adjustment (Bhaskar-Shrinivas, Harrison, Shaffer and Luk, 2005) which leads to (negative) positive fairness assessments by our interviewees. Olsen and Martins (2009) suggest that the greater the perceived distance between the home and host country culture, the less supportive will be the locals' attitude towards the international assignee, particularly in work settings with low levels of racial and ethnic diversity. However, if an organization values diversity and embraces the differences inpatriates bring to the organization, adjustment processes will be accelerated (Feely and Harzing, 2003; Harvey, Novicevic, Buckley and Fung, 2005) and the corresponding inpatriates' liability of foreignness will be reduced, leading to higher organizational performance (Ng and Tung, 1998).

Most of our Chinese in-patriate interviewees, particularly those who had no previous extensive living or working experience in Germany (e.g. studying in Germany), reported that *language practices* at headquarters, another fairness criterion which cannot be subsumed under the four seminal justice dimensions, was one key factor which impeded their interactions in an unfair way:

I think, if you come to Germany without any German language skills, then it is difficult, really. Of course the colleagues can talk in English with you, but suddenly they will switch to German and then you cannot understand what they are discussing. (In-patriate 3)

Our findings correspond with an extensive body of research which unveils the negative impact of language barriers on successful adjustment and performance during international assignments (Froese, Kim and Eng, 2016; Harzing and Pudelko, 2014; Olsen and Martins, 2009; Shaffer, Harrison and Gilley, 1999; Selmer, Ebrahimi and Mingtao, 2000). Our results also match with in-patriation research stating that a common corporate language promotes effective communication between in-patriates and headquarters staff (Maschan-Piekkari, Welch and Welch, 1999), reduces uncertainty and improves in-patriates' adjustment (Froese et al., 2016).

However, our interviews additionally highlight how language practices do not only affect communication with colleagues, but also result in the perception of being treated unfairly:

I think the difference here [in Germany] for example is that they will not solve the language problem. In China, in the office, people must speak English. So we can very easily communicate with the others in English. But here it is very, very difficult because everything is in German. All the guidelines, all the work flows are in German. I cannot understand, so I cannot do the next step. So I always have to ask. I have to join the meeting everyday but I don't know what they talk about. I don't understand the memos and the information. There is a lot of complaining from other departments because I always ask and I don't know how to proceed. I think this is unfair to all foreigners here. (In-patriate 8)

This example does not only illustrate how local language practices challenge every day's work, but also serves a predictor for intergroup prejudices and negative attitudes (Froese, Peltokorpi and Ko, 2012; Froese et al., 2016; Luring and Selmer, 2012). Furthermore, our interviews with Chinese in-patriates also show that the expectation by the organization that they should learn German very quickly is also regarded as unfair:

It is common here to really start every meeting in German, but this is not fair because I don't speak German. All the foreigners, they go to China and they can talk in English.

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In the company, in China emails are written in English, because we Chinese use English emails, even without any foreigner involved, we still use English. But here it is very common that a lot of emails are only in German. It is the people's and company's expectation, also from my boss, that after half a year you need to be able to speak German. (Inpatriate 9)

Taken together, our findings suggest that language practices are a very relevant factor in assessing the organization as fair or unfair. Language barriers challenge socialization processes between inpatriates and their German colleagues and supervisors and lead to feelings of alienation and less productivity.

A third criterion regarding the fairness of German headquarters as perceived by Chinese inpatriates is the *relocation support* they received when transitioning to Germany:

The company supported me a lot. For example, before I moved into my apartment, they organized a hotel, then I moved here. (Inpatriate 10)

The relocation process is very good. They helped me to organize everything. Regarding my relocation process to Germany, I don't have any complaint. Everything was planned, we simply followed the plan, the procedure. We didn't have any problem during the relocation. It was not difficult because the company organized everything. We found our apartment and they helped with everything and fully met our expectations. (Inpatriate 11)

Our interviewees put a strong emphasis on relocation or housing service, as in China exists a long-standing tradition for organizations to provide housing for their employees (Cooke, 2000; Cooke, et al., 2014). Hence, successful relocation support served as a key antecedent of the inpatriates' adjustment process (see also Bhaskar-Shrinivas et al., 2005; Shaffer et al., 1999). However, we also discovered that as soon as these rather trivial expectations were not met, this resulted in highly negative organization-based fairness perceptions:

I already worked for this company for seven years, so I believed I come here and have no problems. I know the company, they set very high standards, like quality standards or standards for customer satisfaction. But it was a problem for me to find a flat. I had only one meeting with the HR department here, but that was already four or five months after my arrival and by that time I already overcame my most difficult problems. By then, I also already had found my flat. The whole relocation process was a mess. I am so angry because my company otherwise sets these high standards. So I expected that they will also have the relocation process figured out. But I was let down, the high standards don't apply for the treatment of their employees. (Inpatriate 9)

Our interviewee considered the lack of relocation support as particularly unfair because she had very high, perhaps unrealistically high expectations of the HR support which were very much based on the high status of the German company in China. Here, our findings confirm

previous organizational justice research which highlighted the strong influence of fairness expectations, concluding that the fulfilment of expectations is ultimately more important than what is actually received or how someone is actually being treated (Bos, Vermunt and Wilke, 1996; Greenberg and Colquitt, 2013).

Finally, throughout the interviews, inpatriates also stressed the important role of *family support* as an additional important criterion of organization-based fairness. This was in particular so for those relatively frequent cases where the company did not offer enough support for the inpatriates' families, which again was assessed as highly unfair:

I think the biggest sacrifice in my family makes my wife, because she had to give up her job, and she doesn't have a job here anymore. So for her it's very difficult. I think this point could be improved. There is almost no support from the company. The only thing they did to improve her chances to find a job was to offer her a German course, but that was it. (Inpatriate 12)

My son is looking for an internship. In the beginning I didn't know how to help him. Also his German is not so good, he only speaks English. So I asked the HR department and they told me that this is my private matter in which they cannot support me and that they won't help me to find a solution. But in my opinion they should support us. (Inpatriate 13)

Research has shown that often companies provide only little support to families during international assignments (Hutchings, 2002). However, stress resulting from family problems can significantly impact the adjustment of the inpatriate and can result in lower performance or even in premature return (Harvey, Novicevic and Speier, 1997; Harvey et al., 1999). Therefore, providing support for the family is indispensable for the inpatriate's successful integration (Harvey and Buckley, 1997). Furthermore, comprehensive family support by the company is very common in China, whereas in Western cultural contexts, professional and private aspects are much more separated (Zhang, Farh and Wang, 2012). As a result, our Chinese inpatriates felt significantly less fairly treated by headquarters than they expected, as their fairness expectations related to the care for their family clearly remained unfulfilled.

*Fairness perceptions about organizational attributes at headquarters in Germany and subsidiaries in China.* The third factor we found to be associated with fairness perceptions of organizations by Chinese employees in Germany and in China are organizational attributes such as the *organizational culture* and *legal conditions*.

The *organizational culture* entails the values and norms shared by the employees, which again give guidance how to relate to other members in this organization (Schein, 1990).



Interestingly, many of our Chinese interviewees pointed to the positive impact of the organizational culture of their respective employing corporation and how it stresses fairness:

What makes it fair are the policies, but definitely also the culture. The culture is tangible. You can feel directly the culture, the way how they defend the policies and how they implement them. You can feel it very strongly and you can really see it. They really take care of their employees. (Inpatriate 7)

Yes, I trust the company. It is really fair because right from the beginning it is evident that fairness is very important. The company also claims that profit is not the most important aspect, but the happiness of the employees. So you can hear and see the values everywhere. During the global financial crisis, they also did not fire anybody, even though our situation was bad. But we are one family, we worked less, got less pay, but everybody could keep his job. It is really fair, not just words, but also actions. (Local 3)

These examples show how attached our interviewees became to the organization they worked for and how this is an immediate result of the respective organizational culture, which was regarded as particularly fair and which can be regarded as a fairness criterion that goes beyond the four seminal justice dimensions as well. The main reason why our interviewees perceived their employing organization as fair was due to the fact that in their view the employees' welfare was more valued by their employing companies than profit maximization. They particularly highlighted that despite the challenges resulting from the global financial crisis, not a single organization that our interviewees worked for breached psychological contracts by laying off employees. In particular in comparison to Chinese companies, this is an aspect that our Chinese respondents strongly appreciated as a fair exchange agreement between them and their employing organization.

In order to fully implement the organizational values in every employee's every day's behavior, organizations frequently engage in a long-term process to transport the culture:

When people join the company, we have a lot of on-the job trainings, but the first extensive training is about the values here. And then we get the chance to get to know the whole company and know its history. When we go back to our own department, we have another department training. And these on-the-job trainings are made according to the rules in our company. And step by step they are guided by the company values. (Inpatriate 14)

The above quote goes in line with Schein (1968) and van Mannen and Schein (1979), who suggested that newly hired employees have to first become acculturated with company's practices, values and beliefs to be able to perform their roles in their new working environment and to create a homogenous corporate culture, including homogeneous conceptions of fairness.

In German organizations fairness is also supported by *legal conditions* such as a relatively strict labor law, the influence and importance of the unions and the co-determination and protection rights of the work council (Pfeifer, 2007; Streicher, Jonas, Maier, Frey, Woschee and Waßmer, 2008). Given the very different situation in China, where employers wield much more power over their employees, Chinese employees highly appreciate German employer-employee relations, perceiving them as very fair.

In Germany I know that the boss cannot treat the people very badly because you have the labor unions. What is very amazing is also as a boss you cannot order your employees to work more than ten hours per day, but in Chinese companies many people do a lot of overtime and no one cares because no labor union cares for you. (Inpatriate 9)

The working council is very protective, so once you are hired, you are safe. If something is not right or you are not treated fairly, then you can always go to HR. They even have a person who is only responsible for internal complaints. (Inpatriate 15)

However, our interviews also show that these mechanisms can become a double-edged sword with respect to fairness assessments:

But here, once you made it into the company, your performance is not so important anymore. Because of societal considerations and the labor union, it is hard to get rid of someone. Even if I don't work hard, I still can get the same as others. And the company cannot kick me out even if I deserved it. (Inpatriate 16)

This quote unveils two interesting fairness aspects. First, as distinct from most examples in justice research, it is the organization and not the employee who is perceived as the victim of a violated psychological contract, as it cannot simply fire an employee who does not perform well. Second, the regulatory mechanisms in Germany can also challenge distributive justice as employees who perform well might ask themselves why they receive the same salary as a colleague who does not perform well, but who is protected by labor union and the work council.

#### ***3.5.2 The Impact of Supervisory Factors on Organization-Based Fairness Perceptions***

Our data indicate that the perceptions about organization-based fairness are not only a function of *organizational* practices and attributes, but, instead, are also strongly determined by supervisor-related, i.e. *individual* aspects. More specifically, we identified (1) *supervisory practices at both, headquarters in Germany and subsidiaries in China* (identified by inpatriates and local employees), (2) *supervisory practices at headquarters in Germany only*

(identified by inpatriates only), as well as (3) *supervisory attributes at both, headquarters in Germany and subsidiaries in China* (identified by inpatriates and local employees) which impact the Chinese employees' fairness judgments on their organization.

We found the extent to which our Chinese respondents, both the inpatriates and the locals, referred to their supervisor (an individual), even when assessing the fairness of their organization (an institution) surprising:

Yes. I mean why is the company fair? Because our manager is fair. (Local 4).

For the fairness of the organization it is important to look at the people who represent the organization – such as the supervisors. (Inpatriate 17)

You know, in general, my company is a good company, but for me it is like this: I know you probably think I am typical Chinese in this way, but I think for this question of fairness the boss is very important. (Inpatriate 9)

Granted, also Western employees do not clearly distinguish between their identification with their organization and their supervisor, as the supervisor builds for the employee an important link to the own organization (Hui, Lee and Rousseau, 2004; Wayne, Shore and Lyden, 1997), also regarding the assessment of organization-based fairness (see also Hollensbe et al., 2008). Nevertheless, the above quotes exemplify the surprisingly strong tendency for Chinese to view themselves as part of the organization through the specific relationship to their supervisor (Becker and Billings, 1993; Chen and Francesco, 2003; Chen, Tsui and Farh, 2002b; Hui et al., 2004; Liu and Stening, 2016). While this tendency is characterizing representatives of both sub-groups, across our interviews we were nevertheless able to expose that our interviewees working in China showed stronger bonds to their supervisor than Chinese inpatriates who have already worked for some time in Germany.

*Fairness perceptions about supervisory practices at both, headquarters in Germany and subsidiaries in China.* Our Chinese inpatriates and locals identified *autonomy* and *voice* granted by the supervisor as important criteria when assessing organization-based fairness. Regarding *autonomy*, over time Chinese employees came to evaluate German supervisors very positively. However, this was not right away the case but was more a result of a gradual adaptation process. At first, Chinese employees were content to follow typical Chinese norms:

We expect our Chinese managers to give us concrete instructions. And usually we do not go to the boss and ask him, but he comes up to us and asks how he can support us or if we have any more questions. I don't know any of my colleagues in China, where this is different. (Inpatriate 18)

This finding confirms previous research which has shown that Chinese subordinates show more person-bound loyalty and obedience (Farh and Cheng, 2000) and expect less need for job autonomy than their Western counterparts. However, our Chinese respondents also recounted that after undergoing a cultural identity negotiation process in which they adapted their beliefs, values and behaviors as they became exposed to the German culture (Brannen and Salk, 2000; Leung, Bhagat, Buchan, Erez and Gibson, 2005), they started to appreciate the autonomy they obtained under German supervisors:

In China, especially in state owned enterprises or in bigger companies or institutions, when the employees show own opinions to a great extent, they will have a problem. Usually your competences are also very limited and your boss checks up on you regularly. But here in Germany it is different. The manager does not expect that you always do it like he says. You should have your own opinion and, very important, you have to be proactive in whatever you do...Now I can do it, but it was harder for me in the beginning. For example I was afraid I could do something wrong and lose my face, but now I appreciate that my manager and thus my company is able to give me my space. (Inpatriate 19)

Hence, by being exposed to an environment (here: Germany or German organizational culture in China), Chinese employees culturally adapted to the norms of a more individualistic culture insofar as they started to value autonomy over relationships and perceived this as an aspect of organizational-based fairness.

Our data suggest that a closely related aspect to autonomy is *voice*. Again, as a result of a cultural identity negotiation process, Chinese employees, both those working in Germany and in China, increasingly appreciated their German supervisor's ability or willingness to listen to their subordinates' opinions and also to accept criticism:

In China you are not allowed to question your manager, you always have to be very careful and show respect. But here in Germany it was very strange to see others to openly go to their boss and contradict them or talk back. Now I can also do it without a problem like my other German colleagues, but I did not change from one day to the other. It took some time until I was able to do it. But now I think it is a very good and important trait of my manager that he is able to take criticism, that communication is not a one-way road. This is an aspect which contributes to the fairness of my organization. (Inpatriate 20)

In Confucian cultures, supervisors take a father-like role, showing care for their subordinates' professional and personal needs and receive, in return, loyalty, obedience and compliance (Chen, Eberly, Chiang, Farh and Cheng, 2014; Pellegrini and Scandura, 2008). According to Confucius, stability is only guaranteed once everybody submits to his role obligation, which in the case of the subordinate is unconditional obedience (Tan and Chee, 2005):

You know in China, when the boss says something, then this is the law and the subordinate has to do it. In Germany, as I see it, it is different, I can engage in a discussion with my boss. Whenever I have a different opinion, I should exchange my ideas with him. But in the beginning I was not able to give my boss suggestions, it took a long, long time. But now I learned that I am allowed to do it and I also receive positive feedback from my boss. He says this is very good that I give suggestions from my side and now I don't have a problem with it anymore. As a matter of fact, I really like this about my boss and my company. (Inpatriate 21)

As distinct from Confucian countries, German supervisors expect their subordinates to voice their opinions (Szabo, Brodbeck, Den Hartog, Reber, Weibler and Wunderer, 2002). Over time, our Chinese interviewees negotiated their cultural identity in a way that they appreciated to be able to voice their opinion towards their supervisor. However, our interviews also show that it takes Chinese years to adjust in this respect.

Our data also specifically indicate that Chinese employees value that their organization creates an atmosphere which supports voicing one's opinion:

I am not concerned about the fairness of the organization. It is a big company with a lot of rules and regulations. My supervisor cannot act like he wants to, he has only limited liberty and we know that. But he asks us for our opinion, this is a company rule, we can have an open discussion. Also if we are not treated well, we can file a complaint and the organization takes this matter seriously. (Local 5)

*Fairness perceptions about supervisory practices at German headquarters only.* When assessing the fairness of the organization through supervisory practices at headquarters only, Chinese inpatriates drew primarily on the aspects *inclusion* and *task allocation*. Regarding *inclusion* our Chinese inpatriates expected their supervisors to treat them as everybody else:

The company is fair because my supervisor does not treat me differently because I am from a different country, from Asia. (Inpatriate 22)

This quote relates to the Leventhal's consistency rule, which is regarded as one of the powerful determinants of procedural justice and states that procedures within an organization should be applied consistently across persons (Fry and Cheney, 1981; Fry and Leventhal, 1979; Greenberg 1987; Leventhal et al., 1980). Furthermore, this quote also indicates that the Chinese inpatriate chooses German colleagues as his reference group when making fairness judgments. This finding is an additional cue that Chinese inpatriates seek equal treatment (see also Chen et al., 2002; Goodman, 1974; Kulik and Ambrose, 1992). Furthermore, Chinese inpatriates seek personal care by their supervisor, as an additional element of inclusion:

Chinese have the habit that we have some activity after work or at the weekend or something like this. Here I expect the boss to take care of me and to integrate me

### 3 The Formation of Fairness Perceptions and Responsive Behavior of Chinese Employees Towards their German Organization

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because I have this need, but the German [supervisor] does not care about this part. (Inpatriate 12)

Throughout the interviews, Chinese inpatriates showed a profound need for their supervisors to show personal care, i.e., supportive, considerate, compassionate and even father-like behavior, reflecting the human-oriented or paternalistic leadership style which is in China still widely applied and expected (Chen et al., 2014; Cheng, Chou, Wu, Huang and Farh, 2004; Farh and Cheng, 2000). By contrast, German leaders are less compassionate and their interpersonal relationships are more straightforward (Brodbeck et al., 2002). This leads to a mismatch of expectations, which has already been widely documented in the cross-cultural management literature (Chhokar, Brodbeck and House, 2013). However, this effect has so far rarely been related to fairness perceptions. Our data, by contrast, clearly show that the feeling of (missing) care by the supervisor has a significant impact on the perceived fairness of the entire organization. Concretely, given the little compassionate leadership style of German supervisors, Chinese consider this aspect as unfair and relate this perceived unfair treatment not only to the supervisor but to the entire organization:

At times the quality and fairness of my company suffers when supervisors here do not take care of their employees very well, when they do not show a lot of personal interest in you. (Inpatriate 18)

This perception is very acute in the case of Chinese inpatriates working in Germany, as Chinese locals working in China still can receive care from other sources, such as Chinese supervisors or colleagues.

The *task allocation* by German supervisors, namely the tasks delegated to Chinese inpatriates, constitutes another important aspect of the Chinese inpatriates' fairness assessments:

The fairness of the organization comes from my boss. I think my boss is smart, very intelligent. So whenever he lets me do something, he must have some reason, and the reason is that I need to learn, so by doing something new I can learn from it, and I am also not doing any repetitive work. Sometimes, when allocating the jobs, you will see if the boss cares for you or not. If he cares, he is trying to give me something new, something useful, but also something what I can do well because of my background. (Inpatriate 23)

Our data show that through a considerate task allocation by the supervisor, inpatriates feel being fairly treated and their satisfaction is high (see also Harvey et al., 2005). By contrast, we also found examples showing inpatriates feeling being treated unfairly due to task

assignments which were not helpful in terms of taking on responsibilities and growth opportunities:

No, the organization is not fair because my supervisor does not really give me any good tasks. He does not really support my development. The things I do are always the same. I don't have the feeling I can learn things here. I cannot even use what I learned in China. (Inpatriate 18)

Many of our inpatriate interviewees complained that their supervisor did not consider their professional experience back in China when being assigned specific tasks during their inpatriation period. Given the importance our respondents attached to their career development opportunities, they had very high expectations towards self-development and therefore sought new challenges which would help them increase their future competitiveness. The opportunity to be exposed to challenging tasks and to learn as much as possible applies particularly to inpatriates as they had to undergo a very rigorous, competitive and lengthy selection process. Consequently, for them development opportunities by their supervisors was a particularly important fairness criterion when evaluating the fairness of the entire organization.

*Fairness perceptions about supervisory attributes at both, headquarters in Germany and subsidiaries in China.* Our interviews revealed that Chinese inpatriates at German headquarters and Chinese local employees at subsidiaries in China identified *organizational tenure* and *previous cross-cultural exposure* of their supervisor as important criteria when assessing the fairness of the organization.

We found numerous quotes relating to *organizational tenure* of the supervisor:

In China, you probably heard it before, people can change jobs quickly and often. Here it is very different. People stay for a long time, sometimes all their life at one company. What I feel is that the managers really take time to tell you something, even if they are very busy. And when there is a trainee coming, they really think about our company's culture, our company's future, they think we need young people, so they really spend two hours, three hours to tell the trainee what is happening here. So they really transport the company culture and also the fairness, because you asked. They are so long here that they live the company. (Inpatriate 24)

This quote reveals once again that Chinese employees see their German supervisor as an agent of their organization who implements organizational procedures. As a result, employees attribute the treatment they receive by their supervisor to the entire organization (see also Eisenberger et al., 1986; Eisenberger et al., 2014; Levinson, 1965). Consequently, our respondents perceive the actions by their supervisors as executed primarily in the interest of the organization and not as a result of personal motives (see also Rhoades and Eisenberger,

2002). The longer supervisors have served their organization, the more credible they are seen to represent their organization:

Starting with team-leaders, every leader has to take leadership classes every year. The company takes this very seriously. They invest a lot into leadership development. This way they [the company] can make sure that the leaders will learn about the principles in this company and how to apply them. You see there are many managers who have worked here for such a long time so that they have become the company eventually. They identify with the company very strongly and it feels like they are the ambassadors of the company who also want to make sure that the culture here is preserved. And of course this also includes fairness. (Inpatriate 25)

Long-term orientation and continuous commitment are relevant values in Chinese society (Hofstede and Bond, 1988; Lee and Dawes, 2005). Applied to the Chinese management context, long-term commitments are highly aspirational, which result from perceptions of being treated fairly and ultimately lead to an increase of trust and loyalty (Chen et al., 2002b; Leung, 2013; Wong, Wong and Ngo, 2002). Our data reveal that our interviewees regard the organizational tenure and thereby the loyalty and commitment of their supervisor towards the organization to be a strong indicator for organizational fairness. In other words, without fair treatment by the organization, the organizational tenure of the supervisor would have been significantly shorter. Furthermore, as the supervisors gradually internalize the corporate values through continuous leadership seminars over time, they act as a representative or agent of the organization even more. They execute organizational practices in their daily work and thus are held accountable particularly for acts of organizational (un)fairness as well.

*Previous cross-cultural exposure* was the second aspect related to supervisory attributes, both at headquarters and subsidiaries, when our interviewees were asked about organization-based fairness:

His wife is from Brazil. And he has been to China when he was 18 years old. That time he traveled through China all by himself and he was very enthusiastic about Beijing. He learned about China and that helps when we work together. (Local 6)

I don't think that my boss is a typical German because he lived and worked a lot of years in China. All bosses here are like this; that makes the company fair. Everybody worked in a foreign country before. They are thinking about how we Chinese tick. They already changed. (Inpatriate 26)

The positive impact of the acquisition of a specific skillset in cross-cultural working environments has been widely discussed in the literature (Caligiuri and Tarique, 2012; Khan, Khan and Rahman, 2011; Wang, Feng, Freeman, Fan and Zhu, 2014). We found out now that this kind of previous cultural knowledge, also leads to higher fairness perceptions, as German



supervisors were better able to adjust their behaviors to the expectations of their Chinese subordinates. These fairness perceptions transcend the individual supervisor and radiates to the entire organization, given his role as an agent of the organization.

#### **3.5.3 Fairness-Related Outcomes**

Our data reveal that our interviewees respond towards two different sources of fairness, depending on the country context: (1) local employees working in China respond with mostly *supervisor-related outcomes* or responses in form of *supervisor-related commitment* and *OCB* (*OCB-I* according to Lavelle et al., 2007); and (2) Chinese in-patriates working in Germany undergo a cultural identity negotiation process, which results in mostly *organization-related outcomes* or responses in form of *organization-related commitment* and *OCB* (*OCB-O* according to Lavelle et al., 2007).

*Supervisor-related outcomes mostly relevant for local employees in China.* Many of our Chinese interviewees working in China described their reactions to their organization-based fairness perceptions as supervisor-related. This took the form of *supervisor-directed commitment* or *OCB-I*. The following quote which expresses the commitment and the intention to support the supervisor stands exemplary for the former:

The organization treats me very nicely and is always there for me. I want to give something back and do this by supporting my supervisor wherever I can, I want to work extra hard for him. (Local 7)

Our findings are in stark contrast to already described current organizational justice research insofar as previous researchers have suggested that supervisor-based fairness generally results in responses directed at the supervisor, but that organization-based fairness generally also leads to responses directed at the organization (Cropanzano et al., 2001). The underlying explanation is that those who believe to profit from an entity's actions, also feel committed to repay this entity for the benefits they received (Gouldner, 1960). However, our Chinese interviewees in China tend to behave the opposite way by repaying their supervisors for fair treatment they received by their organization. Beyond supervisor-directed commitment, which describes an emotion of loyalty and devotion and the intention to reciprocate, our interviewees also reported behavioral reactions which manifested themselves in supervisor-directed organizational citizenship behavior:

The organization was always fair to me. I extended my working time here for another month after I quit the job and signed a contract at another company. Without extending, my supervisor would have lost a big order because I was involved in

everything. That was really inconvenient. Therefore, I renegotiated with my new employer and said: "I am sorry, but I need to finish this. I can only start one month later." I owed this to my supervisor. I accepted the possibility that my new employer would be very angry at me. But I needed to do this. (Local 8)

In line with the above mentioned agent-system model, research linking fairness with OCB indicates that for the most part, fair treatments stemming from the organization are linked with OCB-O, whereas fair treatments from individuals (such as the supervisors) generally result in OCB-I (Aryee, Budhwar and Chen, 2002; Lavelle, Brockner, Konovsky, Price, Henley, Taneja and Vinekar, 2009). However, our data clearly show that perceived fairness from one source (here: the organization), leads to responses mainly directed towards another entity (here: the supervisor). We explain our counterintuitive finding with the strong relationships, Chinese build with their supervisors (Becker and Billings, 1993; Chen and Francesco, 2003; Chen et al., 2002; Hui et al., 2004; Wong et al., 2002).

*Organization-related outcomes mostly relevant for Chinese inpatriates in Germany.* By contrast, many of our interviewed Chinese inpatriates working in Germany described their reactions to their organization-based fairness perceptions as targeted towards their organization in form of *organization-directed commitment* and *OCB-O*. The following quote relates to commitment:

My company is very social and therefore I am interested in the status of my company. We breathe and live together. When my company is doing well, I am doing well too. So I want to do everything I can to support my company. (Inpatriate 27)

Throughout our interviews with the Chinese inpatriates, it became evident that they had negotiated their cultural identity during their stay in Germany in a way that they still identified with their supervisor (according to Chinese norms), but also put now more emphasis on the role of the organization (more according to German norms), particularly in the context of fairness. As a result, inpatriates increasingly distinguished between perceived fair treatment by their organization and their supervisor and showed commitment also to the actor who is treating them in a fair manner (in the above case: the organization). Going beyond commitment, we also detected similar cultural negotiation processes regarding organizational-directed OCB (OCB-O):

Yes, [I direct my behavior] to the organization. The best reward for them is your performance. Your good performance on every project. But I also want to integrate everybody. So I organize events or activities for newcomers so that they feel integrated quickly. It is not that my company or anybody expects this from me, I mean I am not HR, but I think this is very important support which helps the organization to stay strong. (Inpatriate 28)

Following up with a question about the role of the supervisor, the respondent answered:

I have a good relationship with my supervisor, but I feel more close to the organization. I have changed, before [in China] it was all about the supervisor (laughs). But here I see that it is more about the organization and the organization is somebody who cares about me. I feel to have a closer relationship to the organization. (Inpatriate 28)

Our interviewees revealed that Chinese inpatriates working in Germany changed their mindset regarding to whom they directed their loyalty and identified with, clearly distinguishing between the organization and the supervisor. As a result, the organization seemed to become more the source of loyalty and identification when responding to organization-based fairness perceptions. Perceived fair treatment of the organization resulted in increasing commitment and OCB towards the organization, a reaction which is more typical to Western behavioral patterns (Chen et al., 2002b). In this vein, our data strongly indicate that Chinese inpatriates negotiated their cultural identity by approximating towards German values and behaviors.

### **3.6 Discussion and Conclusions**

With the help of an in-depth analysis of our qualitative data, we established a model which explains first how organization-based fairness perceptions are formed in an intercultural context, and second how our interviewees react to their fairness perceptions in form of organization-directed or supervisor-directed responses.

#### **3.6.1 Theoretical Contributions**

As social entity-based justice, respectively fairness, is a relatively new and sporadic stream of research (Hollensbe et al., 2008), we opted for an explorative and inductive research design to generate robust mid-range theory (Eisenhardt, 1989). This approach specifically helped us to find explanations on *why* and *how* questions (Pratt, 2009) on cross-cultural organization-based fairness perceptions and resulting outcomes, which remained yet largely unanswered. Furthermore, our qualitative research design in form of semi-structured interviews helped us to understand the motivation, feelings and thoughts of our interviewees on organization-based fairness perceptions, which aided us to reveal important and detailed information on our research topic (van Laer and Janssens, 2011).

Social entity-based justice researchers point out that the commonly applied approach to focus only on the four seminal justice dimensions is not adequate to seize the complexity of

all relevant aspects that come into play when assessing the fairness of an entity (see also Cropanzano et al., 2001; Hollensbe et al., 2008). Our data confirmed this concern as we identified context-specific justice criteria, such as *corporate culture*, *language practices* or *career development opportunities*, which are not related to the four seminal justice dimensions. In this vein, we contributed to cross-cultural organizational justice research by revealing all relevant aspects which are taken into consideration when organization-based fairness judgments in a Sino-German workplace setting are being made. Furthermore, even though researchers have sporadically addressed the social entity-based justice paradigm (Cropanzano et al., 2001), they have done so from either a mono-cultural perspective (Hollensbe et al., 2008) or from a comparative perspective (Guo and Miller, 2009). We responded to this research gap by investigating entity-based fairness perceptions, specifically organization-based fairness assessments, in a cross-cultural context, in which the country of origin of the organization differed from the national culture of the employees who assessed the fairness of their organization. Our data confirmed that our interviewees assess both *organizational* as well as *supervisory* (as an agent of the organization) *practices* and *attributes* when evaluating the fairness of the organization and thus highlighting the importance to also employ the supervisor as a study subject when investigating organization-based fairness in a Chinese context. We also found differences in fairness assessments between both of our groups (Chinese inpatriates working in Germany vs. Chinese local employees working in China): both groups adjusted their expectations towards *autonomy* and *voice* when assessing organization-based fairness as a consequence of a cultural identity negotiation process. While Chinese were used to receive direct orders by their supervisor (Brockner et al., 2001; Hofstede, 1980), over time and under the influence of the German (national and/or corporate) culture, they subsequently started to appreciate to be able to take independent decisions and to engage in discussions with their supervisor. By revealing and explaining these adaptation patterns, we thereby show how fairness assessments, which stem from cultural embedded values and beliefs (Leung, 2013), are not static, but can be dynamic as the result of an adjustment process in response to a new cultural environment and thus build on extant cross-cultural organizational justice literature (Guo and Miller, 2009).

In addition, due to our differentiation between inpatriates and local interviewees, we were able to tease out group-specific fairness aspects, such as *task allocation*, *inclusion*, *language practices*, *relocation support* and *family support* for the inpatriation context. This finding helps to understand the importance of cultural context when investigating fairness

perceptions, which has been largely neglected by cross-cultural researchers so far and therefore serves as a fruitful supplementation to previous organizational justice research. On a similar note, the group-specific investigation of fairness perceptions exposed that even though adaptation patterns were evident for both groups, inpatriates negotiate their cultural identity related to fairness to a higher degree than their colleagues in China. This notion can be explained by the country effect as there is a higher pressure to conform to German norms, customs and behavior in Germany than in China.

Furthermore, by exposing adaptation efforts of Chinese local employees, we demonstrate that local employees working in subsidiaries are still understudied research subjects, which require further attention in the international business area, even if they often have not necessarily been regarded as an international group in a narrow sense (see also Caprar, 2011).

Another important contribution of our paper to comparative cross-cultural organizational justice research is linking fairness perceptions of the organization with responses that are directed towards the organization or towards the supervisor in a Sino-German context. While previous research postulates that organization-based fairness perceptions also result in organization-directed responses (Cropanzano et al., 2001; Rupp and Cropanzano, 2002), we found Chinese local employees working in China behaving the opposite way: due to their strong loyalty towards their supervisors, they engaged in supervisor-directed responses, even though they attested that it was specifically the organization which treated them fairly. By contrast, Chinese inpatriates underwent a cultural identity negotiation process, suggesting that one of the key objectives of inpatriation assignments was achieved: to shape inpatriates during the assignment in a way that they internalize the headquarter's culture which they subsequently can transfer back to the subsidiaries upon their return, thus establishing implicit social control mechanisms across the organization worldwide (Reiche, 2011; Harvey et al., 1999). A second meaningful consequence resulting from a higher identification with and commitment to the organization is the reduction of turnover intentions. Given the fact that turnover rates in China are particularly high compared with Germany, we expect inpatriates to additionally have a stabilizing effect on the organization after their return and returning the investment of their assignment over time through longer employment with the company.

### **3.6.2 Practical Implications**

Our study also has practical implications, primarily for Western organizations with a culturally diverse, specifically Chinese workforce. First, as a result of the Chinese relationship orientation, our study highlights the importance of the role of the supervisor compared to the organization: Chinese, inpatriates and locals alike, show a strong tendency to relate to the supervisor when assessing organization-based fairness. This phenomenon, coupled with relatively high turnover rates in China, renders cross-cultural training of Western supervisors of Chinese subordinates all the more important. Once the supervisors better understand the expectations of their subordinates, they will be able to increase their commitment and their OCB and ultimately reduce their turnover intentions.

Second, our study also highlights the specific needs and expectations for support during inpatriation assignments, particularly with respect to *inclusion, language practices, relocation support* and *family support*. Chinese employees often complained that they were not sufficiently being taken care of or not integrated into the German team. Moreover, the facilitation of one global corporate language does not only facilitate smoother communication for inpatriates at headquarters, but helps with communication processes among employees between subsidiaries across the globe as well as with accessing and processing information in general. Finally, Chinese, who place high emphasis on family orientation (Tan and Chee, 2005), require more family support than has been previously considered.

Third, we found that Chinese inpatriates identify particularly with the organization when responding to organization-based fairness perceptions. Therefore, inpatriation support should be ensured at a very high level to foster their organizational commitment and to decrease the risk of turnover after their completion of the cost- and planning-intensive international assignment. This will also assist in assuring that inpatriates, once returned to their home country, will operate as agents of the headquarters who can transmit the corporate culture to the local workforce. This, however, is only possible if the inpatriates feel that they are being appreciated and being taken care of during their assignment. As the Chinese local employees, on the other hand, do not undergo a cultural identity negotiation process to the same degree as their inpatriate counterparts, it is even more important to gradually acquaint them with the German corporate culture. In this respect, expatriates as well as returned inpatriates to China can support this notion as boundary spanners who transport the corporate culture over time.

### **3.6.3 Limitations**

However, despite our contributions, our study also has limitations in several ways. We only studied Chinese employees working for German companies. While still differentiating between two different locations, Germany and China, the country combination remained constant. As we detected novel fairness perceptions and responding behavior which were clearly specific for the cultural context we investigated and in several ways in stark contrast to Western justice research, we expect even more diverging patterns of fairness perceptions and reactions to prevail in further cultural contexts. Thus, we strongly encourage to extend the scope of our study to other cultural contexts, not only to add to our knowledge about different cultural areas, but also to contribute to our understanding which fairness patterns are universal and which are particular to a specific cultural context.

Another limitation of our study is the focus on organization-based fairness perceptions. Even though we included the supervisor as an agent of the organization in our model, we only integrated those supervisor's attributes and practices which were identified with organization-based fairness by our interviewees. Future research could establish a more holistic picture, by explicitly inquiring about the fairness of other social entities such as supervisors or colleagues as well. Finally, as many of our interviewees were employed in the production sector, it would be compelling to explore whether employees from other industries assess different aspects of organization-based fairness and react differently to their fairness perceptions. Despite these limitations, we believe that our study on organization-based fairness perceptions and responses in a cross-cultural context has substantially enriched organizational justice research.

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## **4 Are We on the Same Page? The Development of Trust in Sino-German Subordinate-Supervisor Relations**

### **4.1 Abstract**

Enriching interpersonal cross-cultural trust literature with acculturation theory, our explorative, qualitative study reveals why, how and under which circumstances (collectivist) Chinese subordinates either succeed or fail in forming and developing trust to their (individualist) German supervisors. Our analysis is based on 95 semi-structured interviews with Chinese subordinates of German supervisors and German supervisors of Chinese subordinates both in China and in Germany. Our study uncovers a three phase process model (comprising the contact, disillusion and acculturation phase), ultimately resulting in either establishment or erosion of trust. Our findings disclose that central propositions of seminal (Western) trust concepts are turned upside down, once the focus moves from an exclusively Western cultural setting to one that also includes East Asian contexts. As such, our study exposes important boundary conditions of influential trust concepts and contributes to research on the juxtaposition of Western and Eastern management concepts.

### **4.2 Introduction**

Over recent decades, scholars came to realize that trust in supervisors is a central concern for employees and the organizations they work for. This understanding has generated an extended body of interpersonal trust literature (Dirks and Ferrin, 2002; Nienaber, Romeike, Searle and Schewe, 2015; Podsakoff, MacKenzie, Moorman and Fetter, 1990). Whereas most interpersonal trust research has been conducted in mono-cultural settings, some pioneering studies have investigated trust in an international context (for a review see Dietz, Gillespie and Chao, 2010). Most of those still scarce international trust studies have explored trust from a comparative perspective, mostly focusing on China. By contrast, only a handful of researchers addressed trust from a cross-cultural interactions viewpoint. Considering how important collaborations across national cultural boundaries, specifically in a Western-Eastern context, are in globally operating organizations, it is striking how little research has been dedicated so far to investigating the development of cross-cultural trust. What is more, initial empirical studies on cross-cultural trust have treated this significant phenomenon as a mere static one (Kühlmann, 1997; Muethel and Hoegel, 2012), outlining general factors which

either contribute or inhibit trust. Similarly, a few conceptually studies have shown that cultural value orientations influence how trust can be assessed, formed and developed (Dietz et al., 2010; Doney, Cannon and Mullen, 2008). What is still missing, however, is a model, based on empirical data, that captures the dynamics of the trust formation and development process and takes in particular the moderating influence of the cross-cultural environment and also both sides of the trusting relationship (i.e., the trustor and the trustee), into consideration. Our study intends to address this gap and aims to unveil the adaptation processes which influence the formation and development of trust in a cross-cultural, specifically Eastern-Western interactional and hierarchical context over time.

We study cross-cultural trust formation for the specific context of subordinate-supervisor relationships. Also for this particular context, trust has mostly been studied from a comparative perspective, contrasting differences of trust formation between supervisors and subordinates of different mono-cultural settings, again mostly comparing China with the West (Chen, Eberly, Chiang, Farh and Cheng, 2014; Wasti and Tan, 2010). By contrast, the trust effects of collaborations between subordinates and supervisors of different cultures have hardly been investigated. Those few studies dealing with interactional trust in a hierarchical setting (e.g., Rao and Hashimoto, 1996) do so by focusing on either the supervisors' or the subordinates' perspective only. By contrast, we address this gap by investigating how (Chinese) subordinates perceive their (Western) supervisors' trustworthy behavior and, in addition, by studying how (Western) supervisors attempt to show trustworthy behavior towards (Chinese) subordinates. Furthermore, our more dynamic approach, which focuses on developments over time, allows us to obtain a holistic understanding of how the confrontation with other cultural value systems, in our case a Sino-Western setting, leads to a cultural adaptation process, which ultimately results in a reassessment of one's own trust interpretations and trusting behavior. We will show that a cultural expectation mismatch is likely to seriously damage trust (see also Doney et al., 1998), but can also be overcome by means of a successful cultural adaptation process by either or both parties of the trust relationship.

So far, most trust research has, except for the scant comparative research, been conducted in a purely Western context. Such an approach carries the danger of wrongly perceiving certain trust effects as universalistic, whereas in reality they might only be limited to a specific cultural setting (Dietz et al., 2010; Wasti and Tan, 2010). We address this issue by studying interaction effects between Germans, as representatives of the Western culture,

and Chinese, as representatives of the East Asian culture. This approach follows recent calls of cross-cultural researchers to investigate boundaries of the applicability of Western concepts in an Eastern setting, thus contributing to research on management in an Asian context but also to enrich more general management theories (Barkema, Chen, George, Luo and Tsui, 2015).

Given the scarcity of research related to our research objective and in order to gain in-depth insights and develop on this basis cross-cultural trust theory, we follow the call of cross-cultural trust researchers (Dietz et al., 2010) to use a qualitative research design. Specifically, we conducted interviews in Germany and in China with Chinese subordinates and German supervisors. This resulted in 95 interviews, leading to more than 100 hours of interviews, which were transcribed on over 1500 pages. 50 among the 95 interviews come from specific dyads of Chinese subordinates and their respective immediate German supervisor. This precise matching provided us with powerful and carefully balanced data on both sides of Sino-German subordinate-supervisor trust relationships.

Based on this extensive data set we develop a comprehensive three phase process model (consisting of the contact, disillusion and acculturation phases), which uncovers why, how and under which circumstances Chinese subordinates either succeed or fail in forming a sustainable trust relationship with their German supervisors. Given the specific focus on trust dynamics over time, we consider cross-cultural adjustment processes, as described by acculturation theory (Berry, 1997), of particular importance.

Our paper informs research on East Asian and, more specifically, Chinese management by studying cross-cultural trust building of Chinese employees. It contributes to leadership research by investigating the consequences of supervisors' behavior for the trust formation of their subordinates. It adds to acculturation research by demonstrating its relevance for cross-cultural trust building. A further, important contribution of this paper should be to trust research and cross-cultural management research: by showing how perspectives and interpretations of trust changes when working in a cross-cultural Eastern-Western context, our study reveals the limited transferability of Western trust concepts when it comes to cross-cultural interactions between Westerners and East Asians. What is more, we demonstrate how influential Western trust concepts, which are embedded in an individualistic value system, are in several ways turned upside down, once core aspects of East Asian cultures, such as collectivism and Confucianism, are included.

### 4.3 Theoretical Framework

#### 4.3.1 *Interpersonal Trust and Cultural Implications*

The topic of trust has been a productive focus of various academic disciplines (Cook, Levi and Hardin, 2009), exciting particular interest among organizational researchers as several reviews and edited compilations attest (Bachmann and Zaheer, 2006, 2013; Brower, Lester, Korsgaard and Dineen 2008; Cook, Hardin and Levi, 2005; Cook, Levi and Hardin, 2009; Dirks, Lewicki and Zaheer, 2009; Frankel, 2006; Kramer and Cook, 2006; Schoorman, Mayer and Davis, 2007). Most trust research in organizational theory and organizational behavior focuses on trust in immediate superiors, such as supervisors, work group leaders or managers (Gordon, Gilley, Avery, Gilley and Barber, 2014; Hoffman, Bynum, Piccolo and Sutton, 2011; Nienaber et al., 2015), as the supervisor is considered to be a major driving force for outcome variables such as employee commitment and work unit productivity (Dirks and Ferrin, 2002; Kouzes and Posner, 1987). In line with this research, we also focus on the *subordinate* as the *trustor* (trusting party) and the *supervisor* as the *trustee* (party to be trusted). We employ Mayer, Davis and Schoorman's (1995: 712) by now classic definition of trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party".

The vast majority of researchers follows either Mayer et al.'s (1995) or McAllister's (1995) trust model when interpreting or measuring interpersonal trust. Mayer et al. (1995) pointed out that *cognitive trust* relates to the trustee's qualities such as ability, benevolence and integrity. *Ability* refers in this context to skills, competencies and characteristics that enable someone to exert influence; *benevolence* represents the extent to which a trustee wants to do good to the trustor; and *integrity* builds on the assumption that the trustee adheres to a set of principles which the trustor finds acceptable. McAllister (1995) views trust to have next to cognitive also affective foundations. According to him, *affective trust* highlights an emotional relationship between trustor and trustee and is understood to emerge, once cognitive trust has been formed and developed.

An open question with respect to trust is, whether to regard trust as an etic, universally consistent, or as an emic, culture-specific concept (Dietz et al., 2010; Ferrin and Gillespie, 2010). Most Western-based trust research perceives trust explicitly or implicitly as an etic concept, in that the Western understanding of trust is assumed to be applicable for the study of

trust irrespective of national cultural contexts (Dietz et al., 2010; Zaheer and Zaheer, 2006). However, a few scholars also view trust as an emic concept (Noorderhaven, 1999; Lane and Bachmann, 1997; Wasti and Tan, 2010) which can be interpreted and developed differently, depending on one's cultural imprint (Chen et al., 2014; Doney et al., 1998). In our study, we will follow the perspective of Ferrin and Gillespie (2010) and view trust as variform universal, i.e., as a universal principle which exists, with specific emic manifestations, across cultural boundaries. In this vein, we carve out specific emic aspects of trust, following Zaheer and Zaheer's (2006) call for identifying different cultural antecedents and conceptualizations of trust. In doing so, we highlight for a Western-Eastern setting the limited transferability of Western trust interpretations and, thus, identify in more conceptual terms (cultural) boundary conditions of Western trust theories.

Furthermore, if we consider the major impact globalization and the ensuing cross-national cooperation and collaboration have on organizations such as multinational corporations, it is surprising how little research has so far been done on international aspects of trust formation. Most of those few studies that investigated trust from an international perspective did so in a purely comparative fashion (e.g., trust formation in the East – mostly China – as compared to trust formation in the West – mostly the U.S.) (Chua, Morris and Ingram, 2009; Muethel and Hoegl, 2012; Wasti, Tan and Erdil, 2011). Such comparative research established for example that collectivists show a high propensity to trust members of their in-group (Huff and Kelly, 2003) or show towards out-group members, such as foreigners, a lower propensity to trust than individualists (Lowrey, Zhang, Zou and Fu, 2010). In addition, scholars also indicated that collectivists, such as Chinese, place a higher importance on affective trust than individualistic Westerners do (Chen et al., 2014), especially in earlier stages of their relationships (Wasti, et al., 2011).

Even fewer than comparative studies are those investigating cross-cultural encounters (e.g. Kühlmann, 2005; Rao and Hashimoto, 1996; Sullivan, Peterson, Kameda and Shimada, 1981). An underlying assumption of this handful of studies is a negative effect of cultural diversity on trust formation, suggesting, the greater the cultural differences, the more difficult it is to establish trust (Luo, 2002). Furthermore, it has been generally assumed that cross-cultural trust generally starts at low levels and takes time to build (Doney et al., 1998; Ferrin and Gillespie, 2010; Hofstede, 1980; Luo, 2002). However, other researchers have already established that team members, particularly those who work in geographically dispersed or temporally restricted teams, can show under certain conditions also high levels of initial trust



(Robert, Dennis and Hung, 2009; Debra, Weick and Kramer, 1995). The emergence of this form of swift trust, also known as presumptive trust, has been described as a depersonalized form of trust, which can be established on the basis of certain common characteristics, such as the same ethnicity or nationality (Kramer, 1999; Robert et al., 2009). Given the fact that in our study the interviewed subordinates are of different ethnic and national background than their supervisors, extant cross-cultural trust studies (Doney et al., 1998; Huff and Kelley, 2003) would suggest that the emergence of swift trust is rather unlikely. Additionally, as a core reason for the emergence of swift trust, a very tight time schedule under which trustor and trustee have to cooperate has been mentioned, leaving them no opportunity for conventional trust formation (Jarvenpaa and Leidner, 1998; Meyerson, Weick and Kramer, 1996). However, in our context, interviewees' collaboration lasted at least several months, giving them ample opportunity to conventionally form trust without being pressed for time.

The few, initial studies on interpersonal trust between parties of different cultural background are still rather restricted in their scope. They describe trust development from a purely conceptual, non-empirical level (e.g. Dietz et al., 2010); they empirically investigate interpersonal trust on a non-hierarchical level (e.g. Kühlmann, 2005, Sullivan et al., 1981); or they only investigate one side of the supervisor-subordinate relationship (e.g. Rao and Hashimoto, 1986). However, we are not aware of an empirical cross-cultural study investigating trust formation and development in a hierarchical setting, involving both supervisor and subordinate perspectives. We regard this research gap of significant relevance given that it already has been established how expectations in leadership vary drastically across cultures (Cheng, Jiang, Cheng, Riley and Jen, 2015; Leung and Cohen, 2011; Wasti and Tan, 2010) and how important it is to consider both sides of a hierarchical relationship when investigating trust (Brower et al., 2008; Whitener, Brodt, Korsgaard and Werner, 1998). We will address this gap by introducing a model on the trust formation and development process of Eastern (specifically: Chinese) subordinates (as members from a collectivistic society) towards their Western (specifically: German) supervisors (as members from an individualistic society) and thereby reveal how the different perspectives and interpretations of trust in a Western-Eastern context can be ultimately integrated.

Given these striking research gaps, explorative and inductive research is in our view warranted, for which a qualitative research design is particularly well suited. Dietz et al. (2010) also already called for qualitative research to obtain a more holistic and comprehensive

understanding of cross-cultural trust development and to tease out culture specific aspects of trust. With our study design, we intend to follow this call.

Finally, as cross-cultural trust formation might necessitate an adaptation process of diverse understandings of trust, we consider the notion of adjustment a potential key to the study of cross-cultural trust formation. Given that acculturation theory is very prominent in studying how individuals adjust their values, beliefs, concepts and behaviors when exposed to a different cultural environment (Tadmor, Galinsky and Maddux, 2012), we consider it of high relevance to integrate for our research purposes findings from acculturation research.

#### **4.3.2 Acculturation Theory**

The concept of acculturation has been studied for more than a century now and attracted the attention of scholars from different disciplines, such as psychology (e.g. Chen, Benet-Martinez, Wu, Lam and Bond, 2013), anthropology (Herskovits, 1937), sociology (Hurv and Kim, 1984), and management (Samnani, Boekhorst and Harrison, 2012). It can be defined as “those phenomena which result when groups of individuals having different cultures come into continuous first-hand contact with subsequent changes in the original culture patterns of either or both groups” (Redfield, Linton and Herskovits, 1936: 149). Later, the concept has been refined and described as a dual process of cultural and psychological change (Gibson, 2001). These processes can occur over a longer term and across different domains, such as attitudes, behaviors, values and the sense of cultural identity (Cabassa, 2003; Ryder, Alden and Paulhus, 2000). Although acculturation is often seen as a balanced two-way process, members of one cultural group often also try to dominate members of the other cultural group, making the others adapt to themselves (Keesing, 1953; Nahavandi and Malekzadeh, 1988).

Not everybody experiences acculturation equally (Nahavandi and Malekzadeh, 1988). According to Berry (2005), individuals apply one of the following four modes of acculturation when exposed to a different cultural environment: *assimilation*, *separation*, *marginalization* and *integration*. *Assimilation* signifies that individuals from non-dominant cultures adjust entirely to the values of the dominant group. *Separation* indicates individuals who identify with their own culture and reject the values of the dominant group. *Marginalization* describes a low identification with either particular culture and *integration* suggests an identification with both one’s own cultural values and the values of the dominant group. These four modes have been investigated extensively in a wide variety of samples, such as long-term immigrants as well as individuals who reside in a new culture only on a

temporary basis (Tadmor et al., 2012). Management scholars mainly studied acculturation with regard to ex- or inpatriation (Fisher, Hutchings and Pinto, 2015; Maley, Moeller and Harvey, 2015).

During the course of our empirical investigation, we realized it to be of relevance to link the stream of acculturation theory to the literature on cross-cultural trust. Also some prior trust research has claimed that individuals' ideas about trust are strongly related to the cultural values which are important to them (Fukuyama, 1995; Hofstede, 1980). Acculturation theory illustrates how individuals adjust their values when exposed to a different cultural environment (Tadmor et al., 2012). Linking acculturation theory to trust theory allows us to gain a more cohesive understanding of the dynamic adjustment of Chinese subordinates' trustworthiness assessments of their German supervisors. In addition, as acculturation is a dual process, affecting both interacting parties (Berry, 2005), we do not only investigate the Chinese subordinates' perspective, but also include their German supervisors in our study, thus being able to observe both sides of the same phenomena.

### **4.4 Methodology**

#### **4.4.1 Research Design**

As trust formation in a cross-cultural context is still a nascent research area with hardly any established or unified theory, we consider an explorative and inductive research design most appropriate. Such an approach is also particularly suitable, when studying complex, dynamic phenomena (Glaser and Strauss, 1967; Locke, 2001; Marshall and Rossman, 1998) such as trust (Tenzer, Pudelko and Harzing, 2014) and pursuing inductive theory building (Eriksson and Kovalainen, 2008) in the form of robust mid-range theory (Eisenhardt, 1989). As with most inductive studies, we chose a qualitative research design which is well suited to address *why* and *how* questions (Pratt, 2009), capturing complex processes. Our research design, which is based on in-depth, semi-structured interviews, can add facets to a more holistic picture that cannot be unveiled solely by deductive, quantitative research (Bryman and Bell, 2011; Rubin and Rubin, 2012). As our study builds on extant theories, developed in a monocultural or a comparative context, we use a semi-grounded approach (Fox-Wolfgramm, 1997), which is based on the core techniques of grounded theory of constant comparison and theoretical sampling (Rynes and Gephart, 2004).

#### **4.4.2 Research Setting**

We chose our countries of investigation, China and Germany, for various reasons. Both countries do not only represent the respectively largest economies of Asia and Europe, more importantly, this choice of countries is also of conceptual interest. First, we include one collectivistic and one individualistic country. Second, we incorporate with China a country characterized by employees who show a significant interdependence of their personal and professional life and with Germany a country where employees segregate more strictly between personal and professional life. The strict separation of the personal and work spheres also distinguishes Germany from, for example, the US (Brodbeck, Frese and Javidan, 2002). Third, China is a country where employees expect personal care by their supervisors which is not the case for Germany (Chen et al., 2014). Comparative research has shown the relevance of these dimensions for the relationship between subordinates and supervisors and different trust conceptions (Huff and Kelley, 2003; Michailova and Hutchings, 2006; Wasti and Tan, 2010).

In order to investigate trust of Chinese subordinates towards their German supervisors in all its ramifications, we chose a relatively complex and comprehensive data collection approach: we interviewed not only 65 Chinese subordinates of German supervisors but also 30 German supervisors of Chinese subordinates, allowing for a balanced understanding of the cross-cultural trust formation processes. What is more, 50 of those interviews involve dyads, i.e., they have been with Chinese subordinates and their respective immediate German supervisors. These powerful data enabled us to juxtapose the statements from both sides of 25 specific dyadic trusting relationships. To keep the nationality of organizations constant, we only chose respondents working for German companies. However, we collected data from Chinese subordinates and German supervisors not only in Germany (the HQ country) but also in China (at subsidiaries). Such a complex and comprehensive research design across nationalities and locations allowed for a holistic and multi-faceted perspective on the most relevant aspects of our study.

We gained access to the interviewees through own professional networks, professional social network platforms and China-related trade shows. We also sought the support from international HR managers who provided us with further interview partners. Seeking “ecological validity” (Lee, 1999: 152) in order to obtain a rounded understanding of our research context, we did interviews across industries and functions (Hollensbe, Khazanchi and Masterson, 2008). 42 (90) percent of our Chinese (German) respondents were male. 68 (13)

percent were below 35 years, 28 (37) percent below 45 years and 4 (50) percent above. The range of working in different cultural settings was from three months to 15 years and the range of working in the current supervisor/subordinate relationship was from three months to four years. Our respondents were exclusively white-collar employees, working at different hierarchical levels (ranging from assistant to managing director), in different departments (e.g., logistics, marketing, project management, training) and in different industries (e.g., high tech, automotive, heavy steel, consulting). We conducted a large amount of our interviews, in total 47, at a single company (in high tech industry). This company is particularly well suited as it is strongly engaged in China and because it is widely known for its efforts to offer their expatriates and inpatriates cross-cultural trainings for their international assignments. Due to their dedicated investment in smoothening cross-cultural collaboration, we consider data from this company to be particularly conservative in terms of difficulties in establishing cross-cultural trust relations and therefore our findings even more significant. Furthermore, as German companies have just begun to develop large-scale programs to train and to develop Chinese inpatriates, it was not possible to find other German companies with a comparatively high amount of Chinese inpatriates. However, as our other 48 interviews revealed very similar results, we are confident to preclude organizational effects.

#### ***4.4.3 Data Collection***

We chose a semi-structured interview design with a narrative interviewing technique. This assisted us to “gather descriptions of the life-world of the interviewee with respect to interpretation of the meaning of the described phenomena” (Kvale, 1983: 174), to obtain “rich data from people in various roles and situations “ (Myers, 2008: 119) and thus to obtain an in-depth understanding of the interviewees’ thoughts, emotions, motivations, personal experience and interpretations (van Laer and Janssens, 2011) of trust in their cross-cultural work environment.

Six investigators conducted the semi-structured interviews. Two are of Chinese national background and four are German. All six interviewers have working and living experience in Germany as well as in China and all of them have knowledge of the German, English and Mandarin Chinese language. The interviews with German interviewees were conducted in German. The interviews with Chinese interviewees which were facilitated by Chinese interviewers were conducted in Mandarin Chinese. Most of those Chinese who were interviewed by German researchers specifically asked to be interviewed in the corporate

language of their current location of employment (English or German). In these cases, they regarded English or German as the common language, which increased interpersonal trust (Tenzer et al., 2014) and was therefore helpful to obtain rich accounts of the respondents' experiences (Rubin and Rubin, 2012). However, of the interviews with Chinese respondents that we started out to conduct in English or German, interviewees sometimes engaged in code-switching, switching back and forth between native and second language.

Our dataset consists of 95 interviews. More specifically, we interviewed 50 Chinese subordinates of German supervisors working in Germany, 15 Chinese subordinates working for German supervisors in China, 15 German supervisors of Chinese subordinates in Germany and 15 German supervisors of Chinese subordinates in China. We started out by interviewing Chinese subordinates working for German supervisors in Germany. As we wanted to eliminate any country effect, we subsequently also interviewed Chinese subordinates of German supervisors working in China. Finally, to mirror the perceptions of the Chinese subordinates and to examine whether the other party of the trusting relationship also engages in cultural adaptation, we interviewed, both in China and in Germany, also German supervisors, 25 out of 30 of them being direct supervisors of our previously interviewed Chinese subordinates. Before interviewing the German supervisors, we asked the Chinese subordinates for permission to do so.

Given the reluctance of Chinese to open up and discuss highly sensitive issues such as their trust in their supervisors (Ting-Toomey, 1991; Ting-Toomey and Korzenny, 1991), we invested many efforts to establish ourselves socio-emotional trust relations with our Chinese respondents. This was done, for example, through dinner invitations preceding the actual interviews or agreeing to one-to-one advisory sessions about how to adapt to the German context (held after the formal interview). When talking about sensitive topics, Chinese tend to communicate indirectly to maintain face (*mianzi*) (Ren and Grey, 2009). These indirect communication patterns make it difficult for researchers, even those familiar with the cultural context, to interpret their coded messages. We addressed this issue by conducting many of our interviews in an informal context (in cafés and interviewees' homes). By contrast, it was not necessary to establish a previous relationship with our German interviewees as Germans share also sensitive information more willingly.

The final semi-structured interview guides for the Chinese subordinates as well as the German supervisors consisted of three parts. The first part covered personal demographics, such as age, gender, nationality, academic background, hierarchical status, job description,

previous work experience and duration of collaboration with the present supervisor/subordinate. The second part focused on cultural adaptation in the current work environment. We asked in particular about critical incidents, which revealed a change in values, beliefs and behavior. Next, we focused on trust-related aspects. To ensure that our respondents were also specifically referring to trust, we explicitly asked for trust in delineation to other related concepts, such as respect. We also asked both the Chinese subordinates and the German supervisors to interpret trust from the other culture's point of view and provide suggestions how to increase levels of trust in such a cross-cultural, hierarchical setting. The first trust-related set of questions, which inquired about how our interviewees view, form and develop trust in their own cultural environment, was the same for the Chinese subordinates and for the German supervisors. Subsequently, regarding the Chinese subordinates, we asked them to describe the trust formation process towards their German supervisors over time and to give account on the resulting consequences in their thinking and behavior. In this section, we specifically asked for critical incidents, which influenced their perception, assessment and reinterpretation of trust towards their German supervisor. These critical incidents helped us to gain access to our interviewees' concrete feelings, thoughts and behaviors (Janssens, Cappellen and Zanon, 2006). As for the German supervisors, we asked them how they establish trustworthy behavior towards their subordinates in general, if they adjust their behavior depending on the national (or other) characteristics of their subordinates and in case they do so, what specifically they do. We also asked the German supervisors if they changed their attitudes and behavior towards the Chinese subordinates (with focus on establishing and developing trustworthiness) over time and asked for critical incidents which made them adjust in this respect.

Even though our study is not a longitudinal study in a strictly methodological sense, our questions very much focused on processes, which helped us to understand the trust development and cultural adaptation processes of our interviewees over time. All but five interviews were audio-taped and transcribed verbatim. For the remaining five interviews, where the interviewees refused to have them recorded, we took detailed notes. English interviews were transcribed in English, and German as well as Mandarin Chinese interviews in German or in English, depending on the researcher, while keeping culturally rooted and difficult to translate idioms and phrases in Chinese. Interviews lasted on average a bit more than one hour with some interviews taking close to three hours. On aggregate, our interviews took over 95 hours, resulting in over 1500 pages of transcript.

#### **4.4.4 Data Analysis**

Auerbach and Silverstein (2003: 31) argue that “theory is a description of a pattern that you find in the data”. As the set of raw data is too extensive and complex to find patterns, we coded transcripts using an open coding technique (Strauss and Corbin, 1998) with the help of the qualitative research software atlas.ti. During this stage we labeled every passage with an appropriate code. We coded in particular for “trust” and “cultural adaptation”. We followed Hollensbe et al.’s (2008) coding technique and assigned a “trust” code in one of two possible situations: (1) when the passage explicitly included the word “trust” or (2) when the passage was a response to a question that has asked about trust. An example of (1) is: “You give trust very quickly, but it is also broken very quickly.” An example of (2) is the response to: “How did your understanding of trust change over time when you were in Germany?” In a similar vein, we coded passages on “cultural adaptation”. Some of our codes were derived from the interviewees’ statements (in vivo codes). For example, we assigned the code “change in face concern” to any passage describing a change in the importance a Chinese subordinates attached to the concept face (e.g., “In China I was always concerned not to lose my face, but after I came to Germany, I did not care about it so much anymore.”). Other codes were taken from the literature (Strauss and Corbin, 1998) (e.g., the quote: “I trust my boss because he is really good at doing his job” generated the code “ability-based trust”).

After completing the open coding phase, we integrated related first-order codes into superordinate categories to move from a primarily descriptive to a more conceptual level (van Laer and Janssens, 2011). To arrive at these superordinate categories we used the constant comparative method (Glaser and Strauss, 1967; Rynes and Gephart, 2004; Strauss and Corbin, 1998). We first compared different parts of every interview to test for consistency. In a next step, we compared the statements among the Chinese subordinates and those among the German supervisors, for the interviews held in Germany and subsequently for those held in China. During this complex comparative process, connections between codes emerged. For example, the codes “changed Chinese appreciation for independence in Germany” and “gradual decline of Chinese expectations of personal care” were consolidated into higher-order category “changed Chinese perception of trust in Germany”. Throughout the interviews and the coding processes we cycled back and forth between the data and the literature. For example, it was only when coding for what we subsequently labeled the acculturation phase that we thought about including acculturation theory. On the basis of both, our findings and



the literature we later on distinguished between the contact, disillusion and acculturation phase.

Next, we compared statements of the Chinese subordinates (other-perception) and the German supervisors (self-perceptions) on the trustworthiness of the Germans, paying particular attention to convergence tendencies. Finally, we juxtaposed the four groups “Germans in Germany”, “Germans in China”, “Chinese in Germany” and “Chinese in China” to obtain an understanding if there is a connection between home and host country and the applied cultural adaptation strategies. During these additional comparative processes, further connections between the codes emerged. For example “German separation” and “Chinese separation” were consolidated into the higher order category “cultural adaptation failed”. We followed this iterative process of comparing our data with existing literature until we reached the point of theoretical saturation (Guest, Bunce and Johnson, 2006). We then integrated the elements which emerged in our iterative process into a conceptual framework explaining how Chinese subordinates form and develop trust towards their German supervisor over time. For example, “valuing two-way communication over time” and “emergence of appreciation for the supervisor seeking feedback” were consolidated into the higher-order category of “reinterpreted integrity-based trust”. In the final stage of our analysis, we compared our findings from the 47 interviews conducted at the high-tech company with the other 48 interviews to eliminate organization effects.

### 4.5 Empirical Findings

#### 4.5.1 *Contact Phase: A High Level of Trust*

*The formation of trust of Chinese subordinates towards their German supervisors.* Our interviews reveal that Chinese subordinates come into the collaboration relationship with their German supervisors with high levels of initial trust:

When I came here [to Germany], I had trust in the leader right from the beginning, because he is the leader. I mean he would not be in this position without a reason. We do not question his authority. (Chinese 1 in Germany)

The few, initial studies on interpersonal trust between parties of different cultural background suggest that cultural differences negatively affect the development of trustful work relationships (Doney et al., 1998; Kühlmann, 2005; Luo, 2002). However, our data contradict this cross-cultural trust research: During the contact phase, i.e., during the short time-period of

their first few encounters, Chinese subordinates showed high trust levels towards their German supervisors, even though due to their different culture, language and ethnicity, they would not be considered members of their in-group (Huff and Kelly, 2003):

I trust my supervisor because normally my view at the beginning is I trust people. But maybe in the future they make something so I will change my mind...But at the beginning I trust especially foreign people. (Chinese 2 in Germany)

Upon this for us surprising finding, we were at first concerned that our Chinese interviewees might express trust particularly in Germans, as Germans tend to be highly respected in China (Ferner, Quintanilla and Varul, 2001). However, we interviewed several Chinese subordinates who had previous experiences with supervisors of other cultures before they were assigned to a German supervisor and probed them on this particular issue. Their responses unambiguously indicated that Chinese subordinates show a general high propensity to trust their supervisors, irrespective of the national background, so that we are confident not to describe a mere country effect:

Before coming here I worked for an American and also for an Italian boss...I trusted all of them in the beginning when I started working with them. Their style was very different, but this one aspect [of trust] was the same. (Chinese 3 in Germany)

*Underlying factors explaining high levels of initial trust.* Having been confronted from the start of our interviews with a high initial propensity of Chinese subordinates to trust their German supervisors, we probed in subsequent interviews for the reasons of such an outcome, which so visibly is in contradiction to established (Western) trust theories. Some of our Chinese interviewees considered their supervisor, even if he or she was from an entirely different culture and ethnicity, to be a family-like attachment figure:

When first working with my German boss, I had this basic trust towards him. It was not difficult for me to trust him because I was open. I saw him as an older brother. Yes, I saw him like an older brother who would take care of me. (Chinese 4 in Germany)

This association relates strongly to Confucian values which still exert a dominant cultural impact on Far Eastern thinking today (Pellegrini and Scandura, 2008; Tan and Chee, 2005). In a Confucian-influenced society, individuals often find themselves in clearly defined dyadic relationships (traditionally: father - son; older brother - younger brother; husband - wife; emperor - subject; friend - friend) of which the first four represent a hierarchical and only the latter one in an egalitarian setting. Characteristic for these five basic relationships is the requirement to fulfil mutual role-specific obligations (Hofstede and Bond, 1988; Redding and

Wong, 1986), in order to maintain harmony and stability (Tan and Chee, 2005). The expectation towards such hierarchically higher members of dyads (such as the ruler or the father), also known as paternalistic leaders, is to take care and to show consideration towards their hierarchically lower members (such as the subject or the son), while lower members are expected to show obedience and trusting intentions (Pellegrini and Scandura, 2008; Scandura and Pellegrini, 2006; Woods and Lammond, 2011; Ip, 2009). Also our Chinese interviewees expected personal care and consideration by their supervisor in form of teaching and investment in personal growth in exchange for their loyalty and obedience:

In China people are used to get orders by their parents, teachers or their bosses at work. They get specific orders and follow them, because only if you follow, you are seen as a good employee. This way I can trust that the boss teaches me how to do things and this helps me grow. (Chinese 5 in Germany)

As the supervisor is often associated with the role of the ruler, the father or the older brother (Pellegrini and Scandura, 2008; Woods and Lammond, 2011), our Chinese interviewees simply considered in the contact phase the hierarchical position of their supervisor to be reason enough to trust them. When being asked why they trusted their supervisor, they often answered: “I trust him because he is the boss.” Or:

I always trusted her...because anyway she is my boss, if I cannot trust her, then who would I trust?...This is the only way how you can survive. If you don't trust your boss, then you cannot trust anybody. (Chinese 1 in China)

We attribute this finding to role-based trust (Kramer, 1999), as the Chinese subordinates base their trust in their supervisors on their role as superiors rather than on the limited personal experience they gained about them during the contact phase.

Chinese subordinates also explained why they trust their supervisor, Chinese or foreign, with regards to his or her influence on their own career:

Yes, I trust my boss because he also makes decisions about my career, about my salary. I need to trust him right away, otherwise it would be difficult for my work and for my career. (Chinese 6 in Germany)

Supervisors in China traditionally exert a high degree of personal control on their subordinates' career. This requires subordinates to develop and foster a well-functioning relationship with their supervisors (Wei, Liu, Chen and Wu, 2010). Such kind of trust shares many common features with the Chinese concept *guanxi*, which is usually paraphrased as “connections, “relations”, or “relationships” (Chen, Chen and Xin, 2004). Chinese scholars confirm that the supervisor provides a distinct competitive advantage to those subordinates

who have a good relationship or *guanxi* with him or her as a result of mutual role-obligations (Wei et al., 2010). Not trusting and bonding with supervisors would consequently jeopardize the subordinates' career prospects.

Furthermore, our Chinese subordinates mentioned not only the supervisor's influence on their career, but also his or her impact on the working environment, which again illustrated the necessity to trust the supervisor:

Chinese are relation-based. You have to build your relationship. It all depends on the relationship. For example, our company is managed by people. By leaders, but not necessarily by regulations. In other countries, the rule is the big leader, but in China, the rule is made by people. That's why we need this relationship. And so we trust the manager. We have people here who say they work in this department because of the manager, because of how he influenced the department in many ways. If the manager isn't here anymore, I don't see any hope for this department...And so we also support him with everything to build this good atmosphere. (Chinese 2 in China)

The supervisors are seen as benevolent leaders who shape their department, as the organization gives them the freedom to do so. Their subordinates, on the other hand, put faith into their positive character and trust them to take care of their career and the department atmosphere. Not to trust the supervisor and not to support him or her would challenge not only the immediate relationship with the supervisor, but would also have a negative effect on the overall harmony in the department, which is another dominant aspect of Confucianism (Bond and Wang, 1983), or more generally, of collectivist societies. This again indicates that Chinese subordinates have a natural inclination to trust their supervisors because anything else would simply be too costly from an instrumental point of view (Lewicki and Bunker, 1995; McKnight, Cummings and Chervany, 1998). This relates in our view to calculus-based trust, which is based on a market-oriented, transactional, economic calculation, which weighs the outcomes from maintaining the relationships against the costs of forfeiting it (Lewicki and Bunker, 1995).

To conclude, our data revealed that Chinese subordinates show high levels of initial trust towards their German supervisors in the contact phase. This contradicts extant positions of diversity and cross-cultural management researchers, who assume that cultural diversity strongly impedes immediate trust formation (Kühlmann, 2005). Our findings can also not be explained by the concept of swift trust as it was found in Western societies (Kramer, 1999; McKnight et al., 1998) since cross-cultural researchers have already revealed that collectivists (such as Chinese) show a low propensity to trust in cross-cultural contexts (Lowrey et al., 2010). By contrast, we explain our findings with the above mentioned, still prevalent

influence of Confucianism and the interrelated concept *guanxi* on Chinese society (Wei et al., 2010). Our interviews suggest that the positive influence of core Confucian values on trust building, such as hierarchy, mutual role-obligations and harmony, outweigh the negative impact of cultural dissimilarity. Apparently, the context-specific influence of Confucianism is trumping here the cultural dissimilarity phenomenon which is meant to be of universal validity. This already provides a first indication how important context is for the formulation of trust theories and that proponents of (Western) trust theories need to be careful not to generalize their culturally embedded concepts onto cultural contexts which are different from their own.

#### ***4.5.2 Disillusion Phase: Gradual Decline of Trust***

*Further trust development processes.* Most of the Chinese subordinates we interviewed reported to have experienced subsequently to the high levels of initial trust in the contact phase a continuous decline of trust in their German supervisors. They gradually recognized that Chinese and Germans have different expectations about trustworthiness (see also Doney et al., 1998):

The German thinking is different from the Chinese thinking. It depends on what you think and I think and whether your style matches my style. So if you are not sharing my beliefs, then probably trust cannot be built. (Chinese 4 in Germany)

By contrast, their German supervisors, particularly those based in Germany, often failed to recognize different approaches and necessities of their Chinese subordinates in the context of trust formation. They were also not willing to deviate from their customary way of treating subordinates which they regarded as the only fair and correct ones. For example, the immediate supervisor of the previously cited Chinese subordinate mentioned:

As a manager it is important for me that I treat everybody in my team the same way, I think this is fair towards my employees. Nobody likes to see when people are treated in a different way. (German 1 in Germany: supervisor of Chinese 4 in Germany)

Another Chinese interviewee noted:

But it was difficult to build a relationship with my boss. I can't really say it was difficult to work with him because I never saw him (laughs). First I thought it will change. Maybe he is busy at the moment. But it didn't change and I felt lost. My boss never showed up and asked how I was doing. In China the boss will always be around, especially in the beginning to see how you are doing. Otherwise you cannot build trust. It got worse and worse. (Chinese 7 in Germany)

Her direct supervisor was fully ignorant about how his Chinese subordinate evaluated his leadership style and how little it helped to entice trust:

I think the best way to show that I trust my employees is if I give them more responsibilities and if I do not interfere with their work. They feel that I trust them because I do not check up on them or I do not control them. If they have questions, of course they can come up to me and ask me. But I try to let them work as independently as possible. (German 2 in Germany: supervisor of Chinese 7 in Germany)

Other German supervisors gave similar answers when asked whether they behave differently towards their Chinese compared to their German employees in order to adapt to their needs:

No, not that I would be aware of. No, I can't say that I did something different with my Chinese employee than with my German employees. (German 1 in China)

What we found particularly striking about this ignorance regarding differences in culture-based trust expectations was that many of our respondents came from a company that heavily invests in cross-cultural trainings. Apparently, such training did not succeed in preparing employees for these particular challenges. However, a key requirement to successfully build and maintain trust across cultures is to know about the values and customs of the other culture and to act correspondingly (Ren and Grey, 2009). As neither party had this knowledge and understanding, our Chinese respondents progressively realized that their expectations were not met by the actions of their supervisors and therefore felt disillusioned, leading to a gradual decline of initial trust.

During the disillusion phase, many of our Chinese interviewees also complained about their German supervisors showing little respect for culture-based differences:

In China we have a saying (*rù xiāng sùí sù*), which means enter the village, follow the customs. When you go somewhere else, you have to follow the rules. But when my [German] boss came here [to China], he was totally German style. He was very cold and did not care that we have a warm and friendly atmosphere here. We [Chinese] were enthusiastic before he came here, but after short time not anymore. We got a bad feeling about the whole situation. (Chinese 3 in China)

These observations were mirrored by her immediate supervisor who confirmed that his goal is to implement the German way of work globally with little concern for local particularities:

I came here [to China] because of my technical competence, but also to transfer our company culture to China. Our goal is to unify processes and communication worldwide. So, in the end there should not be any differences whether you work in Germany, in the US or in China because we want to unify everything. In order to do this, our company sends more German expatriates abroad than most other companies of comparable size. (German 2 in China: supervisor of Chinese 3 in China)

Throughout our interviews, the Chinese subordinates complained in particular about their German supervisors' initial inability or unwillingness to acknowledge that Chinese do not separate that easily between professional and personal criticism:

My supervisor should think about how people tick who are not Germans. They have a different culture and some aspects, which are completely normal in Germany, are not normal in China, such as heated discussions. Even if this is an objective discussion, I always take it personally. Because this is not only another opinion against my evaluation of the situation, but also goes against me personally. They [the German supervisors] don't know that in China there is no clear distinction between personal and work-related aspects. (Chinese 8 in Germany)

This Chinese subordinate's German supervisor confirmed this practice and outlined the reasons for choosing such a direct communication style:

After all our company is a technically-driven company. It is important for us to avoid misunderstandings. One way to do this is to communicate rather directly. It is also very good to exchange ideas even when discussions get a little bit rough once in a while. But after all, friction causes heat, which we see as a positive byproduct, and we handle these discussions very professionally. (German 3 in Germany: supervisor of Chinese 8 in Germany)

Our findings confirm that, particularly in early stages of their working relationships, individualists (here: German supervisors) communicate directly and bluntly (Ting-Toomey, 1999), whereas collectivists (here: Chinese subordinates) prefer more implicit and indirect communication to save face (Ren and Grey, 2009) and to preserve harmony (Tan and Chee, 2005). We could observe that in the Chinese context the German practice of frank discussions, open criticism and other practices that are more typical for individualist cultures, resulted in disillusionment and subsequent decline of initial trust by the Chinese.

Accordingly, we label this phase disillusion phase, as the Chinese subordinates feel in those still relatively early stages of intercultural interactions increasingly unsatisfied about their treatment by their German supervisors. They recognize that the initial high trust levels with which they met their German supervisors despite cultural differences, were disappointed. This disillusionment led subsequently to a gradual but steady decline in trust.

*Underlying factors explaining the declining levels of trust.* Having been confronted with the opposite pattern of trust development as suggested by (Western) cross-cultural trust literature (i.e., high initial trust levels which subsequently decline, instead of low initial trust levels which subsequently increase), we were particularly interested during our interviews to understand more about the underlying determinants of this development. Remarkably, our

Chinese respondents appear to have focused very much on the emotional or affective dimension of trust, giving considerably less weight to the cognitive dimension:

We Chinese are very relationship-oriented. I am talking of myself, but I also think of my other three Chinese colleagues. We expect the supervisor to build a relationship. This personal interaction, the care and the appreciation and the relationship itself is very important. But I have the feeling that my supervisor only cares about the task and not about the person. He only has time to run from appointment to appointment. I fall too short, he doesn't see how important a relationship is. He is so busy that he doesn't think about having a cup of tea or coffee with his employees and talk about something personal. Of course, my trust in him suffered because of this. (Chinese 9 in Germany)

The German supervisor, about whom the above cited Chinese subordinate complained, confirmed this described practice, focusing entirely on the cognitive dimension on trust, while ignoring the importance of affective-based trust:

No, I don't talk about personal things at work. These things are private. I don't even ask employees to go and have lunch with me. (German 4 in Germany: supervisor of Chinese 9)

The larger part of our interviewed Sino-German subordinate-supervisor dyads unveiled similar experiences during this specific stage of their working relationships. For example:

With him [supervisor] I did not have a good relationship, because he is typically German. Very businesslike, very functional, not very human-oriented, not very relationship-oriented. He cannot understand my personal situation, for example, with my family and my little son...It was more and more difficult for me to trust him. (Chinese 10 in Germany)

Our team is the interface of different departments. We can only be successful if we function like a clockwork. We have to meet the deadlines and frequently also have to pressure our contacts to receive the data on time...Understandably there is little leverage for personal situations. (German 5 in Germany: supervisor of Chinese 10 in Germany)

Therefore, Chinese subordinates often felt estranged when their supervisor showed only little to no interest in their personal situation, with conversations mainly revolving around work-related aspects:

In China we talk about personal things and family, but here in Germany, this is different. You only talk about work, which feels kind of strange. (Chinese 17 in Germany)

While one might interpret care for the subordinate as part of (cognitive) benevolence-based trust, we argue that the expectations of Chinese subordinates towards their supervisors exceed the spheres of working environment, to which benevolence-based trust in Western research is



usually limited (Chen et al., 2014; Wasti and Tan, 2010; Wasti et al., 2011). Our Chinese interviewees also expected their German supervisors to go out having dinner and playing drinking games, all activities their German supervisors rarely engage in:

In China we had more outings where entire families of employees could come: children, husband or wife and you were spending time with all the family members of the entire department. That is a lot of fun. What we also do quite a lot is drinking games with the manager or games to make fun of each other, which is rather difficult in Germany because German managers think this is too ridiculous. But we Chinese like this a lot. Especially because we can see how the [Chinese] manager acts outside the work environment, so that he can give everybody a positive feeling of a transparent and fair atmosphere. (Chinese 11 in Germany)

Interestingly, Chinese subordinates reported that in China relationship orientation is also for the subordinates often enough merely a means to an end, used to promote their career:

This is the reason why in China we always try to establish a relationship. We often think that if my supervisor doesn't know me well enough, then he will also have no reason to invest in me. (Chinese 8 in Germany)

In China, it is generally the supervisor who is responsible for the subordinate's career and without having a sound relationship with the supervisor, there is little hope to get promoted (Zhang, Huai and Xie, 2015). As Chinese supervisors often value loyalty more than competence (Wei et al., 2010), Chinese subordinates intended to build strong relationships also with their German supervisors. All the more disappointed they were, also with their career in mind, when the German supervisors did not respond to their efforts to establish a more personal bond.

Furthermore, the unfulfilled relational or affective needs of Chinese subordinates also make them feel alienated in their working environment beyond the mere subordinate-supervisor relationship:

This is completely different in China. For example in China you will spend the evenings with your colleagues and your supervisor and go out to have a beer, but here [in Germany] you don't. How to build trust is a good question. I think in Germany you don't focus so much on a personal relationship as in Asia. I would not even say this is a Chinese phenomenon only, but it applies to entire Asia. I think how it is to have just arrived: in China you are immediately in the inner circle and in Germany you feel excluded and you are outside. (Chinese 5 in Germany)

Her German supervisor confirmed the stated facts, providing also a rationale:

Actually, I see my colleagues and my employees at least eight hours every day already. That is why I am not so keen on spending also the evenings with them. After

work, I have better things to do (German 6 in Germany: supervisor of Chinese 5 in Germany).

We found this aspect to be very important as the feeling of belongingness to a group had for the Chinese a significant impact on their trust development process. We found it striking how the German supervisors, who were met with such high levels of trust in the contact phase, were not able to use this capital to their advantage and, instead, lost it all. As they apparently did not fulfill the relationship needs of their Chinese subordinates, they lost their status of being part of their in-group (to whom collectivists generally show a high tendency of trust) but were relegated to the status of an out-group member (to whom collectivists generally show a low tendency of trust).

This focus on emotional aspects as the basic principle for a trust relationship runs quite contrary to most extant Western trust literature which postulates that cognitive trust is an antecedent to affective trust (Graen and Uhl-Biehn, 1995; Lewicki and Bunker, 1995; McAllister, 1995; Scandura and Pellegrini, 2008). Except for a few recent studies (e.g. Wasti et al., 2011), most cross-cultural trust researchers argue that interpersonal trust transforms only at a later stage from market-oriented, transactional and economic calculus-based trust to more relationship-oriented, emotional and affective identification-based trust. For the more specific supervisor-subordinate trust development process, this assumption is exemplified by Graen and Scandura's (1987) role-making model. It implies that in the beginning, during the role-taking phase of their collaboration, the supervisor and the subordinate merely interact on a formal basis and only engage in economic exchange. Only once their relationship matures, they enter the role-routinization phase, which is characterized by increasingly emotional aspects. Our findings, however, contradict for the Chinese context this and the other above mentioned (Western-based) studies, suggesting for Chinese subordinates the opposite sequence of trust development, starting out with the affective or emotional dimension.

In this vein, Wasti and Tan (2010) have indicated that for collectivists affective trust *can* be of relevance in early stages of relationships, but, specifically for the Chinese, in combination with cognitive trust. However, our research unveils that in our research context Chinese emphasize affective cues of trust to such an extent that cognitive trust cannot compensate for the unfulfilled need of emotional and relational expectations, leading to a gradual decline of trust.

An explanation why Chinese expect a strong relationship orientation might lie in the lack of powerful institutions and legal security in China (Child and Möllering, 2003). Chinese

appear to compensate for the lack of institutional security by gaining security from their social network. A commonly applied approach of trust building in China is to search for personal similarities between interacting parties (Child and Möllering, 2003). One way to do so is to engage in small talk and talk about family matters, as family represents a key value in Confucian societies (Tan and Chee, 2005). The information the Chinese gain from private talk helps them to assess the personality of their collaborators and, on this basis, develop trust.

As the Germans, especially those working in Germany, do not seem to show sufficient interest in the personal and family affairs of their subordinates, this disregard for their subordinates' relational needs inevitably results in disillusionment and consequently a decline of the supervisor's trustworthiness.

At the moment, I experience the situation where I only have little contact with my supervisor and when we meet, I have to admit that there is no personal fit. From a professional point of view, this has a negative influence on our working relationship and of course also on my feelings of trust towards him. (Chinese 18 in Germany)

These examples illustrate how Chinese subordinates emphasize affective trust more strongly, especially in the beginning of their work relationship, a phenomenon which runs counter to established Western trust research. The main reason for the limited applicability of Western models to East-Asian contexts is rooted in the Western focus on cognitive aspects of trust which is in stark contrast to the evidence we uncovered for Chinese subordinates.

#### **4.5.3 Acculturation Phase: Diverging Trust Patterns**

*Separation process – cultural adaptation failed.* Next to high trust levels in the contact phase and declining trust in the disillusion phase, our data indicated the existence of a subsequent, third phase. This phase is distinct from the previous two for two reasons. First, the Chinese trustors take at this stage a more proactive role. In the contact phase, trust was very much a function of preconceptions of how a supervisor, including a foreign one, should behave. In the disillusion phase, trust was a function of the confrontation with the actual behavior of German supervisors and the realization that expectations were not fulfilled. In the third phase, the Chinese subordinates have now found the time to process their experiences and make a conscious choice how to react to the previous disillusion. Second, depending on the Chinese choice, we observed in this third phase a bifurcation of trust development.

We found examples of Chinese subordinates (and German supervisors), who did not take any steps to adapt to the other party's cultural values and behaviors. In this instance, the Chinese left the disillusion phase with the permanent inability or unwillingness to reconsider

their original cultural expectations which continued not to be met. This resulted in enduring low levels of trust of Chinese subordinates in their German supervisors:

I am working here for three years now and I worked with several [German] supervisors. But it is not so easy for me to work with them. In China, there is more focus on the relationship, but in Germany it is only about work, work, work. I want to have a good relationship with my supervisors, but I do not know anything about them, except for their work. And they also do not ask questions about myself. How can I trust people who are not interested in me? (Chinese 10 in Germany)

This group of Chinese subordinates refused to reduce their expectations of affective or emotional-related aspects. As a consequence, they did not show any sign of adaptation, choosing instead a separation strategy (Berry, 2005), i.e. they preserved their own cultural values and rejected the cultural values of the Germans.

German supervisors of Chinese subordinates working in Germany showed a stronger tendency to follow this separation strategy than German supervisors working in China. They regarded their hierarchically superior status and their home country advantage as sufficient reasons to expect their Chinese subordinates who came to work in Germany to largely adapt to them and the German context. Alternatively, they simply were not even aware of cross-cultural differences and their impact on trust formation. By contrast, German supervisors working in China were more willing to adapt to their Chinese subordinates. They were still hierarchically superior, but understood, as a result of their on-site experience, that they also had to adapt to the local Chinese context. However, particularly with respect to job autonomy, German supervisors often persisted on their own customary practices:

We [Germans] are individualists and the Chinese live in a collective, which means that you follow the masses. In Germany we have a “do it yourself”-attitude, which is also reflected in our daily working-life. We are used to solve complex tasks by ourselves. For Chinese this is often a big problem. This is my experience. This means, if you tell them “do this or do that”, then they will do it perfectly. However, when you tell them “try to find a way to do it”, then it is difficult...I try to be patient and try to help them grow starting with small independent tasks and expect them to develop more independence from task to task. But this is very difficult here. (German 3 in China)

Our interviews indicated that the Chinese subordinates in Germany overall reflected more on the German behavioral patterns compared to the other way around. However, even though many Chinese started to become aware of the cultural values, norms and behavior of the Germans, some of them preserved their cultural identity with regards to trust and still resisted to take the next step and culturally adapt. Hence, in these cases, their trust in their German supervisors remained low.

*Integration/Assimilation process – cultural adaptation succeeded.* In comparison to those opting for a separation strategy, we found significantly more Chinese subordinates who chose to engage in integration or assimilation processes. As a result, they overcame the disillusion phase and were able to rebuild trust to their German supervisors. They did so by effectively redefining their own cultural identity, either by integrating and combining German and Chinese cultural aspects into their own belief system, or by assimilating themselves to the Germans, fully adopting their cultural norms and values:

After I was sent to Germany I was very excited about this opportunity. But my supervisor was very cold to me in the beginning and did not care so much about me. Okay, we went for lunch the first week, but in general he was very distanced. After some time I realized that everybody in my team is behaving this way and I got used to it. At work, or in my department, I don't expect this closeness anymore. (Chinese 12 in Germany)

Overall, we found that most Chinese subordinates adapted to their German supervisors. This might not be overly surprising as Chinese subordinates might adapt to their supervisors as a matter of obedience (Cheng, Chou, Wu, Huang and Farh, 2004) and willingness to establish a shared understanding (Muethel and Hoegl, 2012). This might also explain why many Chinese, even if working with their German supervisor in China, adapted to the German standards:

Years ago I was entirely Chinese, but by now not so much anymore. In the past, I took everything personal. In those times, I was Chinese. But now, especially at work, I am not so personal anymore. I don't care...On the contrary, now I enjoy it that I can have discussions and I don't have to be too careful what I am going to say. (Chinese 13 in Germany)

It is not only me who realizes that I became somewhat German since I have been working for this company. Also my friends and especially my parents realized this. For example, they are a little concerned about how my communication changed because I became more direct and talk back (laughs). (Chinese 4 in China)

However, we also found German supervisors, who were willing to culturally adapt:

What I realized, when I compare it [China] with Germany: In Germany you go to work and then you are mostly in a professional mode. Of course, you might talk with the one or other person about private topics, but only just in very rare cases; otherwise, you focus on your job. What I realized in China: if, for instance, you go out at night with your team, they do not only talk business, but they also talk about other things: about children, family, whatever. (German 4 in China)

*Underlying factors explaining the diverging levels of trust: From affective towards cognitive-based trust.* Those Chinese subordinates who continued to experience the same low trust levels towards their German supervisors as in the disappointment phase, did so primarily

because they did not change their expectations in terms of relationship orientation and, with the Germans hardly changing their behavior, they continued to feel disappointed. More interesting to us were those Chinese who reported about improving trust levels. Apparently, they adapted over time to German behavioral norms in order to resurrect a trusting relationship with their supervisor:

Earlier I was very Chinese and expected my [German] manager to do things that are not normal here [in Germany]. Now I know, but before I didn't. In China your managers normally just comes to your desk and asks how you are doing. This made me feel good because my boss recognized and appreciated me. This created a positive atmosphere. But German managers don't do this. I realized that in Germany you use regular meetings to talk business and not to do small-talk. Now I know. Now I can understand my manager, what he wants and why he wants it this way and this is completely okay. We work very well together. I think this is what also Germans say is a productive and trustful working atmosphere. (Chinese 11 in Germany)

Before being exposed to the German environment, this Chinese subordinate associated a personal relationship with her supervisor as a means to create and to maintain harmony at work. After a deeper understanding of German norms, she realized however that Germans prefer a task over a relationship orientation. She was willing to adapt culturally and so she replaced her need for regular social exchange with work-related aspects, thus being able to reestablish trust with her supervisor and basing this trust on more cognitive aspects. Other interviewees confirm the above described adaptation process, which resulted in a general shift away from the affective towards the cognitive dimension of trust:

Now I feel comfortable and trust my manager. I work in Germany, so I should do more adapting to this culture. I cannot ask the people to change; I need to respect this culture. I don't judge her relationship skills anymore. I trust her because she does her job well, but I don't have a personal relationship with her. But I don't need that anymore. (Chinese 14 in Germany)

When this shifting focus occurred, we found numerous examples of Chinese particularly emphasizing the ability aspect of cognitive trust when culturally adapting:

I trust him because he knows very well how to do the job. We don't have private contact. I found out that in Germany teams do not have so much private contact during or after work. This is totally different than in China. But I got used to it. Not immediately, but after some time. (Chinese 15 in Germany)

Interestingly, we also found examples of full assimilation, showing that Chinese subordinates experienced it as a relief to be able to cast off relational aspects of their working relationships, leading to particularly high levels of trust with their German supervisors:

I think our relationship orientation is influenced by Chinese culture or history. In China, it is important that you have *guanxi*, that you are inter-connected, so that you can get a job, a promotion or have access to other things in life. There is not much separation between the private and business sphere and this makes life complicated. So, connections affect everything with your work. If you have good connections, then everything is okay, that's also why we spend so much time and effort building them. But if your connections with your boss are not so good, then you have to be more careful about everything. Maybe you don't get everything you want, a promotion or something like that. It can be like a burden. I really started to like the uncomplicated life here at work. The expectations of your boss are more transparent, communication is not so indirect, so it is easier to rely on him. You do a good job and that's it, the boss is happy. Very transparent, I like this. (Chinese 13 in Germany)

While good *guanxi* with the supervisor can indeed provide a distinct competitive advantage to subordinates (Wei et al., 2010), this advantage comes, however, often at the price of special obligations towards the supervisor (Chen, Friedman, Yu and Sun, 2011). Several of our Chinese interviewees appreciated the opportunity to detach themselves from these blurred obligations and the opportunity to focus more on the job:

Before, relationship was more important than ability. You must have really a good relationship with your boss, then you can have the possibility to get a promotion. But I think now it is much different. Now, if we want to have a good position, we must really perform well, and not only drink or have fun with the boss. Now, even if you don't like your boss or if you two have a bad relationship, you still can do well. Most important is that you have the ability to perform. But in China, normally it is more about *guanxi*. (Chinese 5 in China)

The Chinese subordinates also attributed lower importance to close supervisor-subordinate relations and shifted their trust assessment from affective to more cognitive aspects. Furthermore, once they realized that in Germany performance and less personal relations determines their career, they focused in their trust assessment also more on their supervisor's abilities and objectivity:

There is a big difference between Germany and China, in my eyes. In China you can make career only when the boss decides so. He looks at you and your relationship with him. Here in Germany it is different. In Germany, as I see it, when you really want to make a career, then you need to show results. My boss doesn't care about the relationship. He wants me to come up to him and tell him what my career plans are. And I trust him for that, that he gives me his opinion based on my performance. After I saw this difference, I was focusing more on doing my work well because I did not have to bother about *guanxi* anymore. (Chinese 16 in Germany)

While many Chinese subordinates, in particular those working in Germany, ultimately went a long way to adapt to their German supervisors, many German supervisors, again in particular those in Germany, did not try to adapt to the Chinese value system at least to the same level:

I had somebody in my team who was showing me photos of his family and then he wanted to see photos of my family. This was really strange because we usually don't do something like that. But I liked it and it left a positive impression. When he saw that I am interested in China, he was inviting me to his home, which is also not so normal here in Germany. It is also a little bit difficult because of the hierarchy issue; I don't know what the others might think. But from now on I try also to talk about personal aspects every now and then with him. I have the feeling this means something for him. (German 7 in Germany)

The above quote also was typical in that the German supervisor did not really understand much about the underlying value system of the Chinese, but at least he had a feeling that this kind of gesture was important for his counterpart. By contrast, particularly those Germans, who were working in China and this for a longer time, became also more fully aware of the blend of business and private life in China, and, as a result, tried more actively to build bridges to the other culture by demonstrating relationship orientation:

The interdependence of private and business life is significantly higher in China. In Germany, when you want to go out with your colleagues you would suggest: Let's do this together. But then most of the team members would say: No, sorry, I cannot join, today I am doing sports or I am playing in a band or whatever... This is not the case in China. If you suggest to do something in China, then everybody joins. And those who cannot come, they apologize a couple of times in front of the team and the supervisor as for some reason they really do not have time. But generally, everybody joins. Therefore, I also organize trips over the weekends or invite for dinner because this is part of their working life. (German 5 in China)

Our data revealed that Chinese subordinates, showed a higher tendency to adapt with regards to trust formation to German supervisors than the other way around. While there were several Chinese subordinates who fully assimilated to the German culture, we did not find a single German supervisor who assimilated to the Chinese culture. The generally higher reluctance of German supervisors, in particular in Germany and in particular at early stages of their working-relationships with their Chinese subordinates, to culturally adapt might be attributed to their hierarchy status, to the lack of cross-cultural training and to the belief that when in Rome (or Germany), one should do as the Romans (or Germans) do. However, in cases when supervisors did culturally adapt, this clearly assisted them in rebuilding trust.

#### **4.6 Discussion and Conclusions**

We have demonstrated that the dynamics of trust formation in cross-cultural supervisor-subordinate relationships are far more complex and culturally embedded than previous studies have indicated. Based on an iterative process between our findings and previous literature, we



developed a three phase process model, explaining how collectivistic Chinese subordinates either succeed or fail in forming and developing trust towards their individualistic German supervisors. We showed that Chinese subordinates and, to a lesser degree, German supervisors engage in a cultural sense-making process (Osland and Bird, 2000) and, as a consequence, undergo a cultural adaptation process which has a significant impact on the Chinese subordinates' interpretations of interpersonal trust.

To our knowledge, this study is the first to have investigated the dynamic process of interpersonal trust formation and development takes shape in a cross-cultural, in our case Western-Eastern, interactional, hierarchical context. The very few studies which described the challenges of building trust in cross-cultural encounters did so without analyzing the actual trust development process (Kühlmann, 2005; Rao and Hashimoto, 1991). Even though organizational trust studies pointed out that trust assessments may change over time and across contexts (Muethel and Hoegl, 2012; van der Werff and Buckley, 2014), extant cross-cultural studies largely neglected this important aspect. Instead, they were mostly based on the assumption that employees, working in a cross-cultural environment, preserve their original trust conceptions. In contrast, our more dynamic approach revealed how the confrontation with different cultural value systems, taking a Western-Eastern working setting as an example, results in a cultural adaptation process which leads to a reassessment of one's own trust interpretations.

Our study on Sino-German subordinate-supervisor trust development enriches the management literature in several ways. First, we contributed to the *international organizational behavior literature* and, more specifically, to *international organizational trust research*, by focusing on (dynamic) interactions instead of (static) comparisons. Our three phase process model which emerged from our data reveals processes that are in three ways in opposite to what has been previously described in the trust literature: (1) Instead of *low* trust levels in the contact phase as a consequence of cultural differences (Doney et al., 1998; Ferrin and Gillespie, 2010; Hofstede, 1980; Luo, 2002), we established *high* trust levels. This interesting finding cannot be explained by the concept of swift trust (Debra et al., 1995; Meyerson et al., 1996; Robert et al., 2009), as this assumes a homogeneous group of trustors and trustees which is not the case for Chinese subordinates and German supervisors. This heterogeneity is also the reason why a general reference to high trust levels among in-groups (Huff and Kelly, 2003) is not sufficient to rationalize our finding. By contrast, we explain our counterintuitive result with the specific cultural context in China, referring here in

particular to Confucianism, role expectation and the need for harmony. (2) Instead of a subsequent *rise* in trust levels due to adaptation processes (Kühlmann, 2005), we observed a *decline* of trust levels in what we accordingly labeled the disillusion phase because of disappointed expectations. While by far most of our subordinate respondents described the processes of these two first phases, it was only afterwards, in the cultural adaptation phase, that opinions diverged whether trust levels rose again or remained low. This divergence cannot be satisfactorily explained by the extant literature. Previous studies on cross-cultural trust observed that different cultural values lead to different expectations of trustworthy behavior and therefore might jeopardize a trusting relationship between people of different cultural background (Doney et al., 1998; Wasti and Tan, 2010). However, cultural values and resulting trusting behaviors are no static or immutable constructs (Leung, Bhagat, Buchan, Erez and Gibson, 2005). As the human mind is sensitive to environmental influences (Yagi and Kleinberg, 2011), individuals can culturally adapt and reassess their original values. Our study shows that in most cases at least one side of the trusting relationship was engaging in a cultural adaptation process, which helped to rebuild trust across cultural boundaries. Whereas we found examples of both groups (Chinese subordinates and German supervisors) to culturally adapt, Chinese employees tended to culturally adapt more strongly than their German supervisors. (3) Contrary to those researchers who view trust as solely cognition-based (Myer et al., 1995; Schoorman et al., 2007), our data corresponds with findings of other researchers who interpret trust as being based on affective features also (Noteboom and Six, 2003; Tenzer et al., 2014). However, by far most of those researchers, who consider trust as the result of both cognitive and affective characteristics of the trustee, assume that cognitive aspects of trust are developed in early stages on relationships, whereas affective trust only emerges during later stages of the trust formation process (McAllister, 1995). By contrast, our findings coincide with the sporadic results of those few researchers (Wasti and Tan, 2010) who state that cognitive trust can also follow affective trust as a consequence of relationship orientation. Interestingly, our three phase process model of cross-cultural trust development resembles more the U-curve of the three stages model of culture shock (honeymoon – crisis – adjustment) by Oberg (1960) than to anything international trust studies told us so far. Furthermore, by linking trust to such culture-specific concepts such as Confucianism, we support the notion of trust as variform universal (Dietz et al., 2010), i.e., as a universal etic principle with specific emic manifestations.

We also contributed to *Asian* or, more specifically, *Chinese management research*, by demonstrating how trust dynamics differ from those established in a Western context, once the Chinese context is taken into consideration. We explained differing patterns in terms of trust levels and trust forms not with generic concepts, such as swift trust, which were developed in the West, but instead with concepts which are specific to the Chinese cultural context, such as Confucianism. In doing so we addressed Barkema et al.'s (2015: 460) critique that "our knowledge about management and organizations in the East remains relatively limited or colorized with a Western lens". Furthermore, whereas previous studies on Western and Eastern trust were limited to comparative studies (Muethel and Hoegl, 2012; Wasti et al., 2010), by focusing on interactions with Westerners, we first provided evidence of dynamic processes including reverse developments, second showed a less deterministic picture and third informed about how Chinese react towards Western practices.

Our contribution to *leadership research* relates to the influence, the supervisor's behavior can exert on the trusting behavior of the subordinates. While our data indicate that adaptation processes were undertaken to a greater extent by subordinates, adaptation efforts of the latter can affect the trust formation of the former. Our findings also demonstrate that supervisors working at headquarters in their native environment understandably showed fewer efforts to culturally adapt with focus on trust formation, than supervisors working at the foreign subsidiaries. Our data also indicated that a successful trust formation process turned out to be more difficult in Germany than in China. This notion might be attributed again to the fact that German supervisors working in China have been more willing to adapt to the Chinese host country context. By contrast, Chinese subordinates were generally willing to adapt more strongly to their German supervisors in both, the headquarters country Germany and on their own home turf, China. Nonetheless, we could still detect stronger adaptation tendencies for Chinese subordinates working in Germany than for their peers in China as a result of perceived home country advantage.

Finally, our study informs *international business research* and, more specifically, *cross-cultural management research*. While also referring to selected cultural values (collectivism, Confucianism), our study additionally indicates the limitations of static, value-based, cross-cultural management research which has failed to capture the full spectrum of complex and dynamic processes such as trust building. Thus, we see ourselves as part of the growing body of literature that focuses on dynamic micro processes when studying cross-cultural management. By applying a semi-grounded, inductive research approach, we argue

that our research design was particularly well suited to explore in-depth the dynamics of cross-cultural interactions related to trust building. Furthermore, by taking trust building of Chinese towards Germans as an example and arriving at opposite results than seminal Western-based management studies, we do not suggest to have disproven those studies but to have demonstrated their boundary conditions. This indicates the necessity to generate more context-embedded, culturally sensitive and emic research and to show more humbleness when Western-based research assumes explicitly or implicitly universal applicability.

Next to these theoretical contributions, our study also has significant practical implications for Western managers who collaborate with East Asians. First, whereas Westerners focus more on cognitive aspects of trust in the beginning of a work relationship, East Asians appear to use more affective cues to assess the trustworthiness of the other party. To reduce misunderstandings and to increase their trustworthiness, Westerners should therefore integrate emotional or personal cues into their daily routine when working with East Asians. Second, we found that knowledge about the other culture helps not only to understand behavior that runs contrary to own expectations, but also to adapt one's own behavior, leading to a more trusting environment. Both Westerners and East Asians can foster a common understanding of trustworthy behavior by transparently communicating their needs and expectations. Another way to increase an understanding of the other culture and thereby increasing the level of trust would be the facilitation of cross-cultural trainings preceding cross-cultural collaboration (Black and Mendenhall, 1990). Third, as we found that in particular local German supervisors, i.e., those based at headquarters, are more reluctant to adapt culturally, we recommend organizations to promote cultural adaptation processes especially for those groups, showing themselves particularly hesitant. While expatriates and inpatriates often receive cross-cultural preparation training, local staff, who frequently have to collaborate with employees of a different cultural background than their own (such as inpatriates or expatriates), are often neglected when it comes to cross-cultural training. This neglect impedes the cross-cultural trust formation process which is an important success factor for well-functioning cross-cultural collaborations.

Despite its fruitful contributions, our study has several limitations, which can serve as the basis for further research. While this study was unique in integrating also the supervisors' perspective, investigating even specific dyads, we still focused exclusively on subordinates (mis)trusting their supervisors. Whereas this is in accordance with most if not all studies on trust in subordinate-supervisor relations, Brower et al. (2008) mentioned that the opposite

direction would also be of interest to explore. Also, while we limited our research on trust formation of subordinates towards their supervisors in China and Germany, future research should also investigate additional cultural combinations, as long as they are conceptually well justified, to establish additional cultural boundary conditions of established trust concepts. Furthermore, in our study, we only concentrated on subordinates and supervisors working in German companies. Future research could investigate how nationality of the corporation affects cultural adaptation and trust formation in cross-cultural settings. A focus on industries or corporate cultures could further enhance our knowledge in important ways. As most of our interviewees were working in the production sector, it would be interesting to investigate whether managers working in more people-oriented service industries form trust differently. Furthermore, our German interviewees belong with an average age of 55 years to the older generation of the working population. As studies on cross-cultural adaptation have shown that the success of adaptation is inversely related to advancing age (Kim, 2000), it would be interesting to choose managers of a more balanced age spectrum in future cross-cultural trust studies. Furthermore, it would be interesting to know whether the fact that the Chinese reflected more on cultural differences and were also more willing to adapt was more based on the belief that in terms of management practices, Chinese managers still can learn from Western concepts or on the belief that as subordinates, they simply have to adapt to their supervisors. Another limitation is our concentration on German supervisors managing Chinese subordinates. For the future, we expect more Chinese supervisors also managing Western subordinates, which is why also a reverse research setting would be interesting to apply. Despite these limitations, we are confident that our study contributed to theory development in manifold and important ways.

#### 4.7 References

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## 5 Schlussbetrachtung – Mein spezifischer Beitrag

Unsere drei Beiträge liefern substantielle Beiträge zu Forschungslücken bezüglich der Dynamik und Vereinbarkeit von bedeutsamen Konzepten wie Fairness und Vertrauen im interkulturellen asiatisch-westlichen Management-Kontext. Der spezifische Beitrag meiner Forschung liegt darin, aufzuzeigen, dass die Dynamik von Fairnessbeurteilungen gegenüber Vorgesetztem und Unternehmen sowie der Aufbau und die weitere Entwicklung von Vertrauen im kulturübergreifenden Kontext weitaus komplexer verlaufen als bisher angenommen. Auch wenn einzelne Forscher bereits erwähnt haben, dass sich das Fairness- wie auch das Vertrauensverständnis verändern können, so gibt es kaum Studien, die diese interkulturellen Dynamiken auch belegen. Vielmehr wird angenommen, dass Mitarbeiter, die in einem interkulturellen Umfeld tätig sind, weitgehend an ihrem ursprünglichen Fairness- und Vertrauensverständnis festhalten. Wir haben dagegen auf Basis meiner qualitativen Erhebungen und Auswertungen umfassende Modelle entwickelt, die im Einzelnen veranschaulichen (1) wie Vorgesetzte und Mitarbeiter aus verschiedenen Kulturen ihr Fairnessverständnis in einem Prozess zunehmend aufeinander abstimmen; (2) anhand welcher Kriterien Mitarbeiter die Fairness ihres ausländischen Unternehmens beurteilen und wie sie anschließend auf diese Fairnesswahrnehmung reagieren; und (3) wie Mitarbeiter zu ihrem ausländischen Vorgesetzten Vertrauen aufbauen und gegebenenfalls weiter entwickeln.

Im jüngsten Academy of Management Sonderheft *West Meets East: New Concepts and Theories* postulieren Barkema, Chen, George, Luo und Tsui (2015), dass die Qualität und wissenschaftliche Relevanz von Forschungsbeiträgen mit Fokus auf den asiatisch-westlichen Kontext maßgeblich von der Identifizierung und Untersuchung von *Construct Salience* sowie von *Construct Infusion* bestimmt wird.

*Construct Salience* umschreibt die empirisch festgestellte unterschiedliche Bedeutung sowie Gewichtung, die Untersuchungsteilnehmer in ihrem jeweiligen kulturellen Kontext Phänomenen und deren Attributen beimessen. Diesbezüglich haben wir im Rahmen unseres ersten Beitrags beobachtet, dass chinesische und deutsche Angestellte am Anfang ihrer Zusammenarbeit ein grundlegend unterschiedliches Fairnessverständnis vorweisen sowie die Relevanz von Fairness unterschiedlich gewichten. Gleichmaßen zeigt im Zuge der Cultural Salience unser zweiter Beitrag, dass bei der Konstatierung von Organisationfairness diversen Elementen je nach kulturellem Kontext eine unterschiedliche Bedeutung beigemessen wird: So steht beispielsweise zum einen der Vorgesetzte bei chinesischen Mitarbeitern im Rahmen der Organisationsfairnessbeurteilung weitaus stärker im Fokus als im westlichen Kontext

üblich. Zum anderen ist die Bedeutung des Vorgesetzten als Adressat von reaktivem Verhalten chinesischer Mitarbeiter in China, welches auf wahrgenommene Organisationsfairness zurückzuführen ist, höher als dies im deutschen Länderkontext der Fall ist. In ähnlicher Weise haben wir in unserem dritten Beitrag entdeckt, dass chinesische Mitarbeiter Vertrauen zu Beginn gegenüber ihrem Vorgesetzten weitaus stärker gewichten, als in der westlichen Managementforschung bisher dargestellt. Wir haben ebenfalls festgestellt, dass in der Anfangsphase des Vertrauensaufbaus chinesische Mitarbeiter affektiven Komponenten eine höhere Bedeutung beimessen, während im westlichen Kontext kognitive Aspekte dominieren.

Im Gegensatz zum vergleichenden Charakter der Construct Saliency, die Bedeutung und Gewichtung von Phänomenen im kulturellen Kontext gegenüberstellt, umfasst *Construct Infusion* die Integration neuer Elemente in bestehende Theorien und Konzepte. In unseren drei Beiträgen stellen kulturelle Adaptionsprozesse das integrative Element dar, welches bestehende Fairness- und Vertrauensatheorien bereichert und nuanciert. So zeigen meine Daten entgegen bisheriger weitläufiger Annahmen, dass das individuelle, kulturbedingte Fairnessverständnis und die Bedeutung, der Fairness zugesprochen wird, nicht im Zustand der Invarianz fortbesteht, sondern sich vielmehr weitgehend den jeweiligen kulturellen Gegebenheiten anpasst. Als Konsequenz eines kulturellen Adaptionsprozesses verändert sich in einem unterschiedlichen Länderkontext auch das Verhalten, welches durch persönliche Fairnessempfindungen ausgelöst wird. Wir konnten diese Dynamik ebenfalls anhand des Vertrauensentwicklungsprozesses identifizieren, insofern chinesische Mitarbeiter weitestgehend ihr kulturell bedingtes Vertrauensverständnis der deutschen Kultur angepasst haben. Unsere Forschung ist somit nicht lediglich auf kulturspezifisch unterschiedliche Gewichtung und Bedeutung von Phänomenen wie Fairness und Vertrauen limitiert, sondern beschreibt jeweils mit Hilfe eines Prozess-Modells detailliert einhergehende Auswirkungen sowie Strategien zur Vereinbarkeit der beiden kulturellen Kontexte.

Mit unserem Forschungsdesign folgen wir Impulsen interkultureller Management-Forscher, welche die Validität bisheriger Studien infrage stellen, die sich lediglich auf einen einzelnen Kontext oder eine einzelne Personengruppe beschränken: Einerseits erlauben meine qualitativen Erhebungen anhand von umfangreichen Interviews insbesondere zu kritischen Interaktionsmomenten ein tiefgreifendes und ergebnisoffenes Verständnis, um daraufhin reichhaltige interkulturelle Theorien in Form von Konzeptentwicklung unter Einbeziehung der Gedankenwelt, Motivation und Beweggründe unserer Interviewpartner zu generieren.

Andererseits kann unsere Forschung, die zwei Länderkontexte (China und Deutschland) umfasst und vier Personengruppen (chinesische Mitarbeiter, chinesische Vorgesetzte, deutsche Mitarbeiter und deutsche Vorgesetzte) beinhaltet, die Vorstellungen von Fairness und Vertrauen aus verschiedenen interkulturellen Blickwinkeln betrachten. Ich bin zuversichtlich, dass durch die Begründung meiner konzeptionellen Modelle und *middle-range* Theorien auf einem umfassenden Datenmaterial robuste Erkenntnisgewinne erzielt werden konnten.



## 6 Literaturverzeichnis des Rahmentexts

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