

UNIVERSITI TEKNOLOGI MARA

THE DIMENSION OF MALAYSIAN ETHNIC
CULTURES IN AN ORGANIZATION

IBRAHIM ZAHARI

Thesis submitted in fulfillment of the requirements
for the degree of
Doctor of Philosophy

Faculty of Business Management

August 2006

Abstract

The embryo of the research was an extensive study focused on the dimension of Malaysian cultures in an organization in Malaysia. The field of vision encompasses of dimension of Malaysian ethnic cultures of the Malays, Chinese and Indians from different cultural background and religious beliefs. Hofstede's (1980) cultural dimensions were used to examine the Malaysian ethnic cultures at the workplace in the organization. The basic objectives have been to examine Hofstede's (1980) model in different organizational setting. Hofstede (1980) make a study and used IBM as an organization, while the present study test Hofstede's cultural dimension in Matsushita for various reasons. First the study is interested to examine whether the initial findings by Hofstede (1980) for Malaysia at IBM held true for companies operating under different setting. Secondly the study is interested to examine whether Malaysian ethnic groups share similar work culture at the workplace in the organization. The present study examines the dimensions of Malaysian ethnic cultures of the Malays, Chinese and Indians in an organization. The cultural research undertaken in Malaysia thus far failed to distinguish between the various ethnic groups. The research undertaken by Hofstede (1980; 1991) on Malaysia was conducted as a whole and it is therefore difficult to make predictions about the direction of differences. Hofstede (1980) used dimension of power distance, uncertainty avoidance, individualism/collectivism and masculinity/femininity to measure Malaysian cultural dimensions. Hofstede's (1980) cultural dimension for Malaysia is high power distance, low uncertainty avoidance, low individualism and medium masculinity. The finding of the present study offer partial support for Hofstede's dimension where the result suggested that power distance in Malaysia is still high and masculinity is still moderate. Similarly the level of uncertainty avoidance is high and individualism is low in Malaysia over the past few decades.

Comparatively among the ethnic groups the present study concluded that the Malays and Chinese have higher power distance compared to the Indians. The uncertainty avoidance for the Malays and Indians are higher compared to the Chinese. There is no significant difference between the ethnic Malays, Chinese and Indians with regards to individualism. Masculinity for the Malays and Chinese are higher compared to the Indians. The finding of the present study further suggested that the ethnic group of the Malays, Chinese and Indians share similar work cultures at the workplace in the organization. The results are of significant importance with respect to the dimensions of Malaysian ethnic cultures in an organization. The present study in a way provides best means of illustrating a number of aspects of current managerial thoughts and values in an organization in Malaysia. The findings of the study have important implication to the practitioners as well as the body of knowledge as to how Malaysian ethnic groups of the Malays, Chinese and Indians from different cultural background and religious beliefs, work hand in hand at the workplace in the organization. The study too provides greater understanding of the influence of ethnic cultures in the workplace, particularly in the cross-cultural management perspective.

Acknowledgement

I am particularly indebted to Dato' Professor Dr. Adnan bin Alias my main supervisor. In spite of his busy schedule he took time to address, comment and explain various aspects of the research. I would like to also thank Associate Professor Dr. Shaare bin Endut who is my second supervisor for his assistance. I especially thank Professor Dr. Mokhtar Abdullah of Universiti Kebangsaan Malaysia for his valuable contribution on various accounts on the statistical analysis of the data and recommendation.

I would like to acknowledge the generosity of Matsushita Multinational Corporation of Malaysia for enabling me to conduct the study. A number of Matsushita managers express their views that the present study was thought-provoking, and I wish to thank them for their hospitality.

Special thank goes to my beloved wife Hajjah Hasiah binti Iskak and my children Putri Haryati, Putri Harlinda, Muhammad Iskandar, Putri Haslina, Muhammad Imran, Muhammad Izwan and Putri Intan Hazwani for their patience, understanding and blessing. To my father Haji Zahari bin Hamzah and my mother
you are the greatest heroes, managers and leaders of all times.

Ibrahim Zahari.

Table of Contents

ABSTRACT	ii
CANDIDATE'S DECLARATION	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES AND FIGURES	x
LIST OF SYMBOLS, ABBREVIATION AND NOMENCLATURE	xiii

CHAPTER ONE: INTRODUCTION

1.1	Background of Study	1
1.2	Purpose of Research Study	4
1.3	Problem Statements	5
1.4	Focus and Research Objectives	8
1.5	Rationale of Study	10
1.6	Significance of Study	11
1.7	Definition of Terms	12
1.8	Organization of Study	15
1.9	Conclusion	16

CHAPTER TWO: REVIEW OF LITERATURE

2.1	Introduction to Literature Review	18
2.2	Concept of Culture	19
2.2.1	Cross-cultural Management	21
2.2.2	Multicultural Management	23
2.2.3	Culture in Management	24
2.2.4	Organizational Culture	26
2.2.5	Ethnic Culture	29
2.3	Models of Cultural Dimension	32
2.3.1	Edward Hall Model (1976)	33
2.3.2	Geert Hofstede Model (1980)	34

CHAPTER 1

INTRODUCTION

1.1 Background of Study

Malaysia has undergone tremendous change over the last century. Malaysia's increased economic wealth, due to its transition, from a largely agricultural-base to manufacturing oriented economy, and highly educated workforce have contributed to the changing values and culture at work (Ragayah, 1999; Lai Wan, 2001). In general the Malaysian economy has undoubtedly grown over the last 40 years and Malaysia's GDP, save for the financial crisis in 1997 have steadily increased (Jomo and Shyamala, 2001). This strong growth coupled with the government's proactive trade and economic measures and policies have definitely brought prosperity and increased wealth. (Ragayah, 1999; Malaysia, 2001; Yaakub, 2003).

Malaysia's prosperous economy has also attracted foreign corporations to investment and setup operations here. The huge influx of multinational organizations into Malaysia also plays a role in changing the work values and culture of Malaysians (Ali, 1994; Aziz, 1995; Federation of Malaysian Manufacturers, 2003). These organizations be it from Japan (Raduan, 2002), the United States of America (Takano and Osaka, 1999) the European Union (Morley and Shockley-Zalabak, 1997) and even Australasia (Armstrong, 1996; Goodwin and Goodwin, 1999), bring