

Understanding Korean Management through Korean Culture

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Abstract: The paper examines Korean management system from the perspective of the cultural context of business. Although psychological consciousness of Koreans share the values of Oriental culture as well as receiving cultural influences of other neighboring countries, but South Korea still maintains a unique culture. This culture, combined with the effects of the geographical environment, the politics of the Korean peninsula, leading to a management model unique behavior in society. Therefore, the managers and employees of Korean management systems behave differently and depend on which cultural direction that they follow and depend on the country which the partner come from.

Keywords: *management system, culture, Taoism, Buddhism, Confucianism, Shamanism, Confucianism.*

I. Introduction

We approached the Korean management system from a cultural context. Although they share a common Oriental culture with other neighboring nations, Korea maintain a unique culture. This culture, combined with the impact of the geopolitical environment of the Korean peninsula, resulted in a unique behavioral pattern. Thus, managers and workers in the Korean management system behave differently with their counterparts comes from other countries.

The Korean management system has played an important role in contributing to the phenomenal economic achievement. Entrepreneurs, top executives, managers and workers in the management system are all integral parts of the system, and they have performed their signed job effectively. Therefore, to comprehend the unique nature of this Korean management system, we should understand the Korean culture, the important factor strong effected to the management system.

External environment is the important factor to understand Korean management system of Korea and culture is one of the elements of the external environment. In this environment, the role of the Government is outstanding because without the support from the Government, the enterprises cannot exist and strong developed. Reverse, Government also needs some contractual obligation from the enterprises. The following contents will share the main Korean cultural phenomenon so from which we can understand the operational management system of Korea.

II. The characteristics of Korean management system

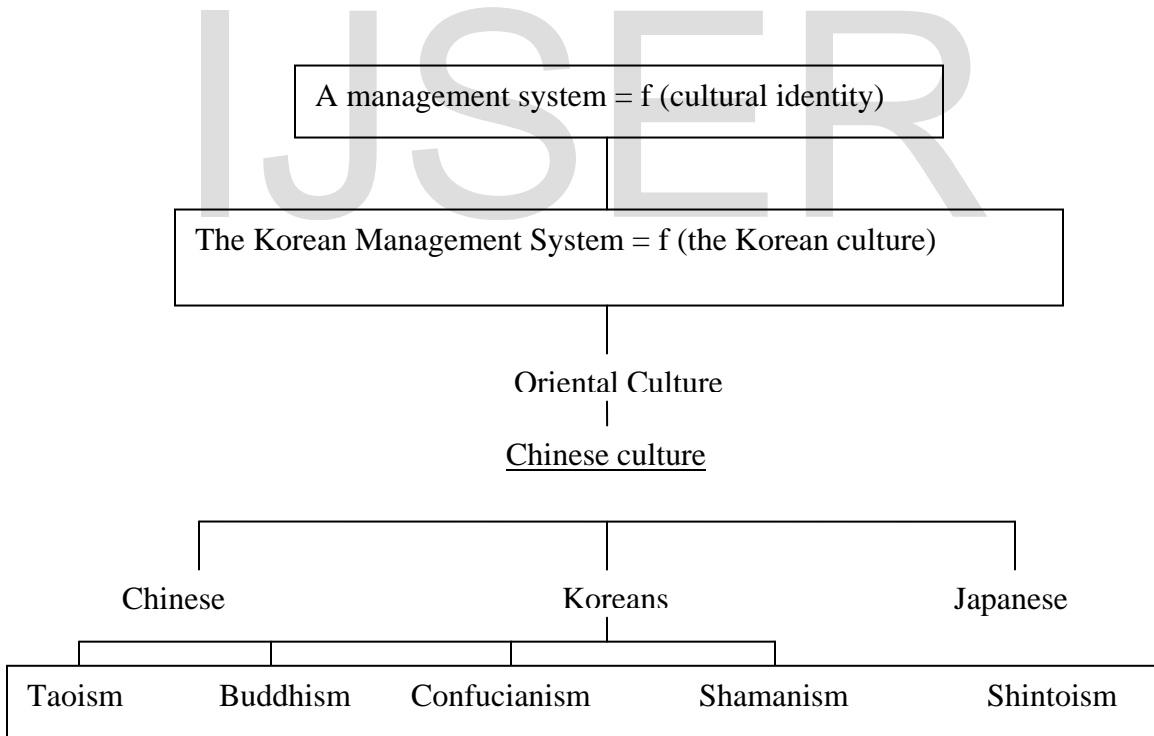
Management is a function of its culture. This means that *the culture of a nation influences and systematizes the management system of that nation.*

The figure 1 shows the basic conceptual framework of the Korean management system in terms of the Korean culture.

Korea like Japan and other countries surrounding China, has been under the influence of the Chinese culture for more than a thousand years. The Chinese culture, therefore, has dominated the Korean society and their everyday lives through political, legal, and social systems in addition to literature, religion, and ethics. Specifically, Chinese culture in general and the religions of Buddhism, Confucianism, and Taoism in particular have played an important role in Korea. Chinese language and literature are very important in Korea until the middle of the fifteenth century, and they are still used even after “hangul”, the Korean alphabet, was introduced and used extensively. All aspects of the Chinese culture spread into Korea through Chinese books, traditions, customs, and the value system.

However, up to now, one out of four South Koreans is Christian. Korea has the largest church in the world, with a congregation numbering of big amount is located in Seoul, and many influential leaders and managers both in business and nonbusiness organizations are Christians. Nevertheless, we exclude Christianity from the following discussion, because Christian religion has only one hundred years in Korea’s history, except Catholic, and it may not yet have a profound impact on the formation of

Figure 1: Framework of the Korean Management System



characteristics of the Korean people. Actually, Korean Christian sometimes also believers of Buddhism, Confucianism, Shamanism, and Taoism in the sense that these four religions are integral parts of the Korean culture. The Korean people do not mention about Islam.

Although Buddhism and Confucianism have been generally accepted as religion in Korea and have become an integral part of the lives of the Koreans, but still has a major difference between them: Buddhism is understood and practiced as a pure religion, and it recognizes heaven, hell, and transmigration. It teaches that anyone can enjoy the life in the heaven if he or she has a virtuous and honest life in this world. Heaven is the reward for what anyone has done on earth. Buddhism, therefore, represents honest and virtuous life of the Koreans.

Confucianism, as originally observed in China, is understood more as a moral philosophy with moral doctrine than as a religion. It is involved more with the contemporary world, rather than emphasizing the afterlife. Having a meaningful, moral, and virtuous life in this world is important; it does not serve as a precondition to the life after death. Confucianism, therefore, is not seriously concerned with the supernatural world, even though it recognizes the supernatural as an unknown world.

Koreans believe that they must fulfill an additional obligation of filial piety to their ancestors. Shamanism has been integrated into the lives of the Koreans through ancestor worship. Koreans believe that their present life is blessings from their ancestors' souls. Shamanism admits the existence of different holy everywhere, the holy possess the power to bless those who seek blessings with their prayers for family members. For example, during the college entrance examination, the mother of college entrance exam candidates come to Buddhist temples and Christian churches to pray for the university to accept their children. This can be traced to traditional Shamanics, although practitioners may be Buddhist, Christian, Confucian, Taoist.

The practice of Shamanism in Korea shows the importance of the family system, which was emphasized and integrated fully into the doctrine of Confucianism. Koreans are one of the most family - oriented people in the world. Maintaining family traditions and enhancing family credibility are the most important obligations for every family member. Although Korean Protestants formally terminated the rituals of Shamanism, they maintained the tradition of ancestral worship.

Believers in Taoism emphasize a distaste for worldly affairs and a yearning for the life in harmony with nature. We can see the uniqueness of Taoism when comparing Taoism with Confucianism. Taoism emphasizes avoiding ordinary social obligations and leading a simple, spontaneous, and meditative life with nature. In contrast, Confucianism emphasizes a good society, discipline and emphasizes the rituals, duty, and public service. Koreans live by two different ideals. On the one hand, Koreans try to be socially successful in the tradition of Confucianism. On the other hand, Koreans lowered the importance of the success of the world and developed a fateful view of the world.

Nobody understands the Korean management system clearly without understanding the importance of the family system. Koreans work for their business mainly to preserve their family tradition and to enhance their family prestige through successful businesses. They also work for their business for becoming the respected managers and leaders.

As mentioned above, the doctrines and the value system of Confucianism have prevailed in the minds of Koreans. Based on Confucianism, the Korean society has the following characteristics:

1. Orderly society
 - a. Understanding and maintaining your position in society

2. Free society
 - a. No religion caste system
 - b. No food restrictions except for health reasons.
 - c. Capability and determination determine your ultimate rank
3. Family oriented society
 - a. Piety to your parents
 - b. Loyalty to superiors
 - c. Paternalistic society
4. Group oriented society
 - a. Individualism in a group setting
 - b. Harmony among members
5. Education oriented society
 - a. Career success = f(level of education) mentality
 - b. Respect scholars and professors

In any country, Confucianism emphasizes a stable society based on loyalty to the state and superior and filial piety to living parents and even deceased ancestors through worship ancestor. It also emphasizes good relationships among members of society by maintaining adequate hierarchical relationships and other relationship with other parties. There is a strict hierarchy of compliance that requires subordinates to respect and obey their superiors. This has implications and significance for Korea's management system, which we call "the strict of hierarchy". On the other hand, superiors must protect the welfare and interests of their subordinates. This principle has a significant impact on Korea's management system, and we will call it the "Mutual Principle". In short, according to Confucianism, the moral standards of a society are mutual trust and respect

Traditionally, a stable society follow the framework of a hierarchical social class system. The four classes of Confucian society were expressed by four Chinese characters. While Koreans pronounce these characters as "sa", "nong", "kong", "sang", the Japanese pronounce them as "si", "no", "ko", "sho". The top class is the literature class in Korea but it also referred to warrior class in Japan. The second highest class is farmer; the third class is manufacturers. The merchants were relegated to the bottom class because Korean people, in particular, understood that the merchant class exploited people by unjustifiable profit taking.

The top class of "sa" enjoyed the most opportunities in Korea. This has an implication to Korean management that we call the "Principle of Open Society".

In Confucian society, the importance of education is over emphasized, even today. In Korea, educated person or scholars have been highly respected. However, many Koreans could not enjoy the privileges and status of the highest class of "sa" by passing the rigorous examination, candidates must prepare Confucian literature and politics knowledge. This implies that education was critically important to many Koreans since it determined success or failure in their career paths. The critical importance of education has an implication to the Korean management system that we will call the "Principle of Education Priority".

Korean place greater importance on filial piety to parents than on piety to superiors, but the Japanese give higher priority to the superiors than parents. Although the Korean society has emphasized loyalty to superiors and to the state, piety has been the

most important form of social behavior. This means that the family system or family prestige has been the primary objective in Korea. In no other society we can find such a strict regulation to maintain the purity of the family system as in Korea. For example, with few exceptions, no one can marry a person who have the same family name, and every families should keep their own family- record to identify the roots of their family.

The Korean family system is also unique and defined in a very narrow and strict sense. That is, the system demands a more blood oriented family than in other societies. The requirement of having a son is extremely significant in Korea. Each man must have his own son (sons). Any married woman who can not have a child is considered the most profound sinner in society. On February 12, 1988, NBC's Today Show reported about an adoption of children from South Korea. Two Korean brothers were sent to an orphanage because their step father never accepted them as his children since they were not related by blood to him. Babies of unwed mothers have never been warmly accepted in Korean society and have ended up in orphanages where they might be adopted by American parents.

In fact, many Korean companies are being managed by family members of the founder, even after they have expanded into giant enterprises and it is called "Principle of blood oriented family system".

Agriculture was accepted as the basic industry in Korea, and the status of farmers was recognized accordingly, although farmers were exploited by members of the top class. On the other hand, the status of manufacturers and artisans was very low in a society where agriculture was the dominant industry, and thus the manufacturing industry remained at the stage of pre-industrial Revolution until the early twentieth century.

Merchants belonged to the lowest class in Korea. Their function as transaction facilitators in society were not properly recognized. Instead, notation prompted an implication to the Korean management system which it is called the "Principle of Ignoring Commerce". This principle has had a negative impact on the Korean management system, but it has been modified extensively over the past years.

The life style stems from the unique personalities of Koreans, geopolitical impact, and socio-cultural system. Since the Korean peninsula was surrounded by the major power of China, Japan, and Russia, Koreans abandoned the policy of relying on military power to protect their independence. Instead, Korea was under the umbrella of Chinese protection. Militarism thus never gained any popularity in Korea, and Korean military men were never respected. There was no need to develop any huge logistic system for military operations that needed the help of the merchant class, who in other countries, flourishes by providing supplies for military logistics. No serious connection between the military and merchant in Korea; therefore, the merchant class had no opportunity to grow under such a nonmilitary and agrarian society. There is an other reason: Since no priority was given to militarism in Korea, there was no interaction between Koreans and Westerners until the nineteenth century.

At the same time, Japan followed a different way. Since the militarism was important in Japan, the warriors, called the samurai class, were genuinely interested in strengthening their military positions. The two most important requirements to meet this need to develop a well-organized logistic system and to acquire the most advanced weapons. The above needs had contributed to the development of the merchant class and the interaction between these two polarized classes. The samurai class depended on

merchant for the effective management of their logistic system for wars, and the merchants depended on the samurai class for their safety and profits. From the early days of Japanese history, there was a close relationship between samurai and merchant classes. Thus, commerce expanded rapidly in Japan.

The warrior's endeavor to have access to the most advanced weapons in Japan also had a great impact on the development of commerce in Japan. After Portuguese sailors became the first Europeans to reach Japan in 1543 (Takagi and Fukuda 1971), the Japanese warriors recognized that Westerners had developed more advanced weapon system. Since then, the Japanese were interested in interacting with Westerners, although they kept an official policy of ostracism. Their interest in Western culture was highlighted in the so-called Dutch studies (Takagi and Fukuda 1971). Through the Dutch, who were in Japan for various reasons, the Japanese extensively studied advanced Western learning in many fields other than just weapon. They adapted useful ideas more effectively than any other Asian nation. Japan, therefore, never closed the doors completely to foreigners except during certain periods. This access to Western culture was one of the driving forces for the restoration movement of 1868 in Japan, and it also partially explains why Japan became the first nation in Asia to undergo such a movement.

On the contrary, interaction between Koreans and Westerners was quite limited. China was the only country with which Korea had extensive relations and trade, including tribute. Koreans considered anything related to China is admirable. By contrast, trade with Japan was not prosperous and took place only intermittently.

Koreans interacted with Westerners when shipwrecked Dutch sailors landed on Korean coast in 1628 and 1653 (Han 1989), but Korean officials never took advantage of these opportunities. These were also other occasions to interact with Westerners in the 16th and 17th centuries, but Koreans refused to use such opportunities for their benefit.

Unfortunately, Western learning never had any significant impact on Korea until the arrival of Roman Catholic Church missionaries during the late of the 18th century. As a result, Korea remained one of the most secluded countries for many years until foreign powers forced the Korean government to open the doors in the late of the 19th century. A commercial treaty was signed in 1876 with Japan, and similar treaties were arranged in 1882 with the United States and then China. Korea had followed China's leadership closely for so many years that the government was not flexible enough to make independent decision for the country.

You can not understand the Korean culture and people until you comprehend the *yin-yang* concept. The Korean people perceive the universe in terms dual cosmic forces. One force represents a positive aspect, the other represents a negative aspect. For example, sun, male, spring, sunny spot belong to yang (positive), while female, night, and even numbers belong to yin (negative). The Korean were so fanatic about this dualism that they expressed their sentiment on their national flag. The South Korean flag has a circle in the center with a dividing line, which represents the yin-yang concept.

Through this yin-yang concept, the Korean perceive differences in the universe; between sun and moon, male and female, spring and fall, sunny spot and shady spot, and odd numbers and even numbers. However, they also perceive complementary nature of these differences, for example between the male and female. Nothing is complete unless these pairs match each other and function accordingly. Each element in a positive/negative pair needs the other become a complete substance. A male needs a

female, the sun needs the moon, and the spring needs the fall. Through this matching process, these pairs fulfill a synergistic effect. In the yin-yang concept, the co-existence between different pairs is requirement.

Understanding this difference-complement dichotomy is essential to understanding the Oriental culture and the Korean culture. In the word of yin-yang, there is also no value system. The moon is as important as the sun, because we need night as well as we need day. In one sense, yin-yang is a free value and free concept.

To the Korean people, the dualism of God and Devil is **an alien and unfamiliar perception**: *The God and Devil, of course, are different, but they are not complementary to each other. Devils as threatening evils must be conquered or destroyed. This is a holy war. God cannot accept, tolerate, or coexist with Devil. God must prevail throughout. We cannot simply accept the existence of a devil dominate the world. The evil must be destroyed or conquered.* This is really a zero – in the sum game.

The yin-yang concept has a great implication to the Korean management system through Korean culture and behavior of the Korean people. You can see peaceful coexistence of various religions in South Korea, but there has never been extensive interaction among them. No religion has ever developed a perception that other religions are evil and must, therefore, be conquered or destroyed. A concept of holy religious was has never developed to against other religions in Korea.

This brings some uncomfortable feelings among Korean Christians who have been indoctrinated that Christianity is the only religion and do not accept the existence of any other religions. In church, the Korean Christians behave exactly like real Christians. Outside church, they transform themselves into Korean Christians who unwillingly accept the existence of other religions and the yin-yang concept of different relationships. In one sense, Korean Christians live in two different worlds of compromise and complement. The Korean Christians are really yin-yang Christians who have to reconcile their Korean cultural heritage with Christian doctrines. They also believe in Buddhism, Confucianism, and Shamanism as mentioned above; therefore, they practice Christianity in a culture that inherited the value of various religions and philosophies.

To Korean Christians, ecumenism has a different meaning from that to a Westerner. It is a movement among different denominations of the Christian church. Some scholars debate and dialog with Christian and Confucianism and in the conference meeting of the Korean Society for Religious Study in North America, some Korean - American scholars presented papers on the necessary of a dialogue between the two religions. Scholars argued that some common ground can be found between Christianity and Confucianism.

During the Korean presidential election campaign in 1992, three major presidential candidates attended an important Buddhist ritual because they need to get the votes of Buddhists, which is the largest religious group in South Korea.

III. Conclusion

In conclusion, the Korean management system shares many features with other management systems. However, it is unique in the sense that the Korean culture has its distinctive features, and a management system is a function of its own culture. Of course, Korean people share the Chinese culture with the Chinese and the Japanese. Still, Korean

have developed a unique cultural pattern different from that of both China and Japan. In this paper, we also investigated some of the probable reasons why Korea not modernized its country and its economy as Japan did in the 19th century. The difference may be due to the attributes that take into cultural nuances and geopolitical factors in shaping their social governance models.

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