

Confucianism and Management Philosophy in China

Confucianism is an ideology that has influenced Chinese people from the past to the present. It is built by Confucius and his disciples and includes the moral values, social, political and so-called religious teaching. Undoubtedly, Confucianism has played a significant role in Chinese cultural education and power management. Despite the superficial abandon of Confucianism in current Chinese society, the hidden influence of this ideology is still going on in the companies and management. Compared to Capitalism in western countries, Confucianism stresses a socially patriarchal hierarchy, an idea that many western countries have fought to rid society of. The establishing set of norms from Confucianism is designed to guide a harmonious society and emphasize the responsibility to the group. While in Capitalism, it tends more to consider the individual as a powerful, autonomous and independent entity who seeks for own betterment. The introduction of nine core values of Confucianism helps a further understanding of the topic at hand. The moral ethics of honesty and benevolence present the Chinese culture in behaviors and relationships. For Capitalism, the enlightened self interests, profit-driven preference and materialism are given more attentions. Moreover, by analyzing these two ideologies in their respective environments in both pre-modern and modern context, we find that both ideologies are playing a lesser role in society today than they did before. The dwindling influences are likely due to increased globalization and idea sharing thus preventing any one idea from achieving full dominance in a geographic location. In old times, Confucianism was used to reinforce the governance in China and developed imperial examination to help culture innovation. While in modern times, it encourages more in learning activities and high efficiency, which also stabilizes the society. Regarding that of Capitalism, it pushed the industrial revolution and colonization, but the income gap was widened. Nowadays, it helps with resource distribution and money flowing, which also influences the related development worldwide. Furthermore, there are pros and cons of Confucianism and Capitalism in management. The former one achieves high productivity and trust in the company networks, but the difficulty of challenging upward decision and corruption remains. The latter one promotes ownership and economic growth in terms of radical innovation, but slow decision-making and lack of flexibility become a concern.

Under Confucianism, the innovative team is diligent and studious, while the process of change is fast and efficient. Engineering mostly motivates innovation, and splendid incremental innovation is added to the radical innovation from abroad to fit the oriental culture. Compared to Capitalism, the innovative team is creative and active, but the process of change is a complex and collective activity with various interactions. Innovation is mostly motivated by Capitalism itself, and significant radical innovations are originated. In addition, three representative examples are analyzed in the report including Chinese high-speed railway, xiaomi smartphone and social networking sina weibo.