

Comparing the Enterprise Management Practices of the UAE, Chinese and Japanese Companies

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Abstract— Comparative studies aim to identify and explain differences of homologous phenomena in two or more contexts. Comparative study of management practices differences is undertaken with a variety of purposes and their results and interpretations. With the fast technology development in the previous few decades, there is a rapid increase in the orientation of financial globalization; as a result of the technical, financial and cultural exchanges, the relationship between different parts is getting more and more persistent. This paper studies the management practices differences in the United Arab of Emirates, China and Japan primarily to offer some support and learn for the UAE's enterprise management practices. Simultaneously, and from cultural perspective, this paper provides an analysis of the origin of different countries management practices reasonably, in order to create and sustain competitive advantage for the UAE's enterprises management practices.

Index Terms— UAE's management; enterprise management; Japan and China practices; practice styles; culture; international differences

I. UAE ENTERPRISE AND CHINESE ENTERPRISE COMPARISON.

In the process of entering the international management in UAE's enterprises, the most significant problem is the quality of the enterprises staff. The UAE's culture background played an immense role in the growth of the corporate culture. To compare it with the Chinese culture, the workers in UAE encounter particular obstacles and relationships, whereas international companies, fundamentally in the Chinese companies, a great confirmation on the regulations of business in the execution.

The standards of the Worldwide management are in conjunction with those standards in China and Japan, the main problem of UAE's enterprises lies in the international management practice as well as implementing the standardized management. In UAE and the Arab world, more than anywhere else, enterprises practices are conducted on the basis of personal relationships and mutual trust away from the official regulations and the international management standards. It is vitally important to build on these practices that the UAE's corporate culture is being affected by the surrounding environment of the Arab world.

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Despite the fact that Chinese-style management in the twenty-first century is based on hundred years of history and culture in China, however China is both a main place of the new management system after the United States which is the origin of classical management system, and China is one of the first leaders of modern management innovation. The Chinese management works on the principle of making the past serves the present, and making foreign things serve China.

It is a managerial science that brings together the reality of China's reforms and opening-up to a market economy, useful aspects of foreign managerial thought and management practice, and the enduring characteristics of China's ancient cultural heritage merged in the Chinese management practices.

In other words, the Chinese style management is the management pattern that complies with the Chinese Enterprise existing need and emerges from the Chinese management practice. The Chinese companies heaped up worthy experience in the course of its development and produced a unique style of management. Now the Chinese companies distribute all over the whole world in recent years and its immanent forms of management changed in multinational companies. In comparison with the UAE's enterprises, the management practice major features in the Chinese companies can be translated in the following three areas.

A. *supervision and management of enterprise Developed system*

China has set regulations formulated to establish a State supervision and management system that suits the needs of socialist market economy, better run State-owned enterprises, push forward the strategic adjustment to the layout and structure of the State economy, develop and expand the State economy. Actually, it's not easy to use very rigid scale for the UAE's managers. The Chinese and Western standards that emphasize the system of laws and regulations; whereas the UAE's culture places an emphasis on an individual's lead and initiative. For the calibrations of the UAE's business don't keep going with the international standards, consequently, their competition is low and have not lots of benefits.

Unlike the UAE, there is a general feature of strictness which is implied in too complicated system management and supervision in the Chinese corporates and firms. This strictness surrendered the companies and other different works to have strict criteria. As a result, the Chinese companies are free of problems like nepotism and they abide by the management system rules. The Chinese companies emphasize and stress the equality and not affected by the person's relationships complication as in UAE.

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Even though all management practices aim to attain high performance through effectiveness, management systems differ significantly. The Chinese business operating excellent practices and activities through complying with the modern management system. The Chinese companies and corporates primarily take in consideration some essential factors like: organizational and strategical planning, institutional building and other factors. Despite the cultural differences that have formed an important basis for Chinese management system, however, the Chinese companies in order to make a decision referring to accurate and precise information and data, they widely utilize the technology of scientific analysis. Where the process of decision-making is subjected to a group of leaders and experienced managers to set the employees and subordinates' roles, however, the responsibility for any mistake should be taken by the decision makers.

B. The efficiency and quality as a priority.

The UAE's manager's market is in need of practicability efficiency and managerial quality. Basically, the manager market ought to be the root of administrative talents. The qualified and ideal manager usually is able to lead enterprises of modern management style using an engineering and financial expertise efficiently. There is a lack of competition for the selection of employees and managers in, specially, the state owned enterprise managerial business. Unlike the Chinese enterprises managers, most of the managers of UAE's enterprises are being selected and appointed by the superintendent. UAE's enterprises are sophisticated to managerially enhance and develop their efficiency due to the absence of the state strict standards of enterprises managers' appointment and the existence of the superintendent unstandardized power of assigning and appointing managers for the modern enterprises under two aspects: multiple aims and standards and personal ability as a second aspect, which has created such results. Thus, the enterprises have a shortage in the improvement of their efficiency, disregarding their material interests, preposterous income and getting ashier revenue; a managerial system lack in the distribution of stock and shares choices for management to stimulate the proceeding long-range interests, short-range conduct inclinations is important.

In UAE, there is no fully matured independence class for the managers for the government realizes the independence interests of the managers. For that reason, there is no independent measure and standards existence for the protection of the managers' interests. This is clearly represented in the country-owned enterprise managers' income which has less relationship with the performance of the corporate and the difficulty to manage extravagant job consumption. It's of so significant to enhance the payment technique of the enterprise managers for the sake of improving the efficiency of the enterprise. In UAE, there is no fully matured independence class for the managers for the government realize the independence interests of the managers. For that reason, there is no independent measure and standards existence for the

protection of the managers' interests. This is clearly represented in the country-owned enterprise managers' income which has less relationship with the performance of the corporate and the difficulty to manage extravagant job consumption. It's of so significant to enhance the payment technique of the enterprise managers for the sake of improving the efficiency of the enterprise.

Six decades ago, the Chinese company has no progressive development. Most of the universal enterprise and business talents started to realize the weaknesses of this enterprise management; they considered that involving to the conventional and traditional Chinese management forms could restrain the liveliness of enterprises which is a substantial factor to drive the rise and reduction of the whole domestic finance. They indicate: employees have no chance to take part in forming and designing the enterprise improvement which let the managers be in the opposite direction with the essential employees and workers; the employees do not master how to set out the expectation and future of the company or enterprise which not only make the employees have no influence on the development of cohesion, but also damage their motivation, and led to marginalizing the workers and employees to engage in business plan. These major changes point out that the Chinese system which marked and distinguished by the rule of law and regulations is changing to take a major part in the management.

The employees' sense of affiliation and loyalty to enterprises will not function normally, that is because of the excessive focus on non-human decision-making methods which highlight a slight consideration about the understanding elements of staff. This makes the employees look for an instant profit on the account of taking long-range conduct of non-cooperation and even using the interests of the enterprise as the equipment and tools to gain financial benefits for their own interests.

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C. Enhancing Enterprises' Competitiveness Through Fostering Business Innovation.

During the rapid advancement of science and technology, the Chinese companies increasingly invest in innovative research and development and speed up the transformation of scientific and technological accomplishments into fruitful outcomes, make use of the advanced science and technology to create and produce new methods and tools for the establishment of modern management. The competitiveness in global market places, innovation has become a key driver and Chinese enterprises are no exception to this. Therefore, establishing such tools and methods was of a great importance protection to make china financially be an origin point and source of the

accelerating competition and to be at all times one of the leading states for the international finance and economy.

In this regard, the UAE's companies have enhanced like fulfilling system strategies of binary-track to enterprise of private sector which leads the non-state-owned commercial and financial enterprise in UAE take a step forward. The dual-track system formalization provides the core management climate for the permanence and evolution of the UAE's Non-state-owned enterprises financial share. Therefore, this institutional preparation and arrangement adjust to the evolution of the non-governmental strategy of financial reform and plays a pretty role in the fast evolution of non-government financing and all pre-reform financing in the UAE. Together with the increase in the non-governmental financial sector in the UAE, the number of unplanned inflows is also increasing, and market prices are gradually expanding. With the increase in the non-governmental financial sector in the UAE, the number of unplanned inflows is also increasing, and market prices are gradually expanding. concurrently, with the increase of external commerce and trade, the global market has seen a remarkable impact on the internal market, which leads to the relative price of the domestic market near to the framework of global market prices progressively.

II. THE UAE AND JAPAN ENTERPRISE MANAGEMENT PRACTICE COMPARISON.

The Japanese economic miracle was Japan's record period of economic growth between the post-World War II era to the end of Cold War. During the economic boom, Japan rapidly became the world's second largest economy (after the United States). The scientists of the western countries considered There are many factors that reinforce fast economic expansion in Japan. In comparison with the UAE companies, the Japanese enterprises have the following three major characteristics in the practice of management.

A. *Business Leaders Distinctive Decision-Making Style of Collectivism*

Arab organizations are often structured according to the principle of "sheikocracy" in which managers see the organization as their personal fiefdom, while their autocratic behavior is kept in line by considerations of what is acceptable or not by society, the rule of religious law, a concern for the public image, a paternalistic orientation and Islamic instructions, to avoid oppression and abuse of power. Sheikocracy is characterized in the following practices, hierarchical authority; a subordination of efficiency to personal relations and connections; an open-door policy so managers are approachable; indecisiveness in decision-making because of often extensive consultation; rules and procedures which are contingent on the personality and the power of the individuals that make them; nepotism in selecting upper-level managers while qualifications are emphasized for middle- and lower-level managers; informality among lower-level managers; and a patriarchal attitude.

One of the effects of sheikocracy is that one-way communication systems between managers and employees exist in many Middle Eastern organizations, employees' opinion is not always listened to and Arab management does not excel in open communication, dialog and involving employees. However, recent research reports that in progressive organizations across UAE, a new kind of relationship grounded in mutual trust and respect is emerging between employers and employees", which could indicate that management techniques like empowerment is gaining some ground in UAE organizations.

There paternalistic administration existence in the UAE's business class. The enterprise mostly respected parental culture and paternalistic leadership which has got an important role in decision making in the team management. The core of administration in some of the internal companies, particularly private sector enterprises is authoritarian leadership. Paternalistic work managers instead of believing their subordinates or the team who have the same superior talent, they only trust themselves. As a result, such causes over time: either the perfect employees and subordinates will retreat, or their capacities will decline remarkably. clearly, the paternalistic management is a great panic for the entire staff and contrary to the modern scientific management practices.

In Japanese businesses power and responsibility tend to be shared among a group of people. In contrast, in UAE's businesses, the power and responsibility for decisions tend to be vested in designated individuals. This collective tendency encourages a middle-up-down process of decision making that cuts across different levels of management, in which the process of decision-making in Japanese businesses goes through several phases; firstly, is proposed by the senior managers, then discussed by the various grass-roots, thirdly, feedback upward after discussions, and finally, enter the implementation phase after the approval of these programs. This collective decision-making style of management confirms the harmony between senior managers and lower levels and high degree of cultural homogeneity in Japan which indicates that a decision support system designed for one Japanese manager will be quite useful to others without significant customization.

B. *The Concentration on the Development of the Employees' Sense of Affiliation and Quality.*

In fact, the needs for affiliation and personal power are comparatively more important to Japanese and Chinese business leaders, respectively. In order to enhance the comprehensive quality in the Japanese administration class, they, firstly, dispatched their personnel to the national school for learning; even those their financial condition is at a low. Secondly, they focused on the work like one team. Japanese enterprises are excellent at employing each chance to inculcate the view of congruence to the human resources, focus on training the staff's collectivism; encourage employees to estimate the worth of the business community and dealing in accordance with the collective

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design. For instance, they, in a thoughtful way, will combine human elements into their business management; improve the staff's feel of affiliation to the enterprise by training them heartily; enhance the development of staff, reinforce the training for employees and make the development of enterprise closely related to individual evolution, establish the collaboration building between employees and the upper levels in the enterprises. The consequence is more worker participation and positive group dynamics, as every member is equipped with the relevant knowledge and skills and can freely communicate his or her ideas. Thus, the existence of quality and affiliation of the employees significantly improve the quality in the Japanese enterprise management as well as the product quality and productivity.

Moreover, they make a rational division of the whole staff. To be effective and to be competitive, Japanese teams exhibit a very strong and solid group structure. Japanese groups are based on a hierarchical strategy structure consisting of two phases between seniority (head office) and juniority (departments). In the practical situation, head office (seniors - more experienced and have more power) emphasize the whole strategy formulation; the department follows and implements the defined procedures and details. The feature of Japanese firms' management practice is that the leaders keep in touch with the employees and subordinates as much as they can and mix their communication with friendly and personal relationships to guarantee harmonious cooperation.

C. The Appropriate Implementation of Three Distinctive Labor Systems.

The three privileges in the Japanese management have been lifetime employment system, the enterprise unionism and the seniority-based wage system. Lifetime employment is a distinctive characteristic of Japan's postwar labor system. This is how the system works: Large companies hire regular employees right out of school and keep them until retirement. New employees are chosen for their general potential, not because of any special skills or training. Such employees are considered the company's human capital, to be trained, cultivated, and assigned to posts in the company's best interest. The employee is to serve the company loyally and not try to leave for a better position. The employer will not dismiss or lay off the employee even in severe economic conditions. In addition, this system also means that large Japanese companies train and promote their own employees to fill higher managerial positions, rather than hiring specialists or senior managers from outside the company. This system worked well during Japan's long period of postwar economic growth with a young, energetic work force. Lifetime employment brings benefits to the Japanese firm. The overall goal of the policy is to provide security and stability for the firm and also for its employees.

As soon as the employee in Japan get into the company, they will directly be part of the trade union mechanically to be members of the enterprise union. In Japanese firms,

unions are dominant, and every big company usually has their own union. Until now, these unions in, Understanding Japanese Business practices, charge of negotiating annual wage increases with the firm, but they typically did not have much power. Workers in enterprise unions in large companies worked closely with management to make the production process more efficient, in exchange for long-term job security and good wages and benefits. Japanese trade unions have traditionally played a different role in Japanese firms than their counterparts in UAE and China. Therefore, the Japanese Trade Union characteristics not only referred to in the foundation of the sub-offices in enterprises or wage negotiation but also they consider the development of all the workers establishing training programs so that the employees can take various forms training.

The human resource management in the UAE is being affected by the Arab culture which hinders it from catching up with the international HRM that uses standards and fundamental system. As an important factor of management, workers are the implementers of institution standards that directly linked to performance and efficiency. Human resources management in the United Arab Emirates is frequently based on the elements of relationship that are clearly in conflict with international human resource management that uses a system as primary, this leads to significant variations in the management of human resources in the United Arab Emirates. consequently, HRM has become the dilemma of international management enterprises in the UAE, and solving this trouble is of great importance to UAE companies entering the universal market.

In the Japanese companies it is emphasizes that employees begin from the primary basis and practice at all fields of enterprises that would supply bases for fundamental work and active life in their incoming business. One of the conventional characteristics of the Japanese management practice is the seniority-based wage system, which has gone hand in hand with lifetime employment. This system assigns that employees begin with a standard basic wage, and receive an increase in pay for each year of service rather than for the particular jobs they perform. By implementing such system, the companies maintain the employees' financial stability, reduction of jealousy or discrimination between the staff and the employees' loyalty and affiliation to the company. Simultaneously, the Japanese firms use the seniority-based wage system to keep workers from changing jobs, since after a few years of employment they enjoy a wage level that they could not match if they moved to another company. It offers workers a strong incentive to remain with their first employer. Furthermore, under the same wage system, the remuneration of a worker is determined primarily on the basis of the number of years he has spent with the company, subject to age and level of education at the time of entry. An employee's work would most likely be very time consuming, and he or she would hesitate to ask for a day off unless when it's extremely needed. However, this wage system declines the competitiveness

and impedes the expansion of the enterprise. It discourages innovative or creative thinking that might increase productivity by changing how a job is structured or how employees perform the job.

III. CONCLUSION

Due to the existence of dissimilar cultures in the UAE, China and Japan, different companies in these countries have their special features and characteristics of enterprise management practices. The background of the modern epoch has generated chances and occasions for the developing countries, it's feasible and imperative to indicate to the sophisticated management experience of the selected and developed country (Japan) and the world's second-largest economy country, (China). This study proposes that UAE should eagerly make progress in its current situations by making use of the Japanese and Chinese management practices experience. UAE's enterprises should also spring up to exploit these advanced management practices, know how, and techniques from these two countries. A courageous transformation and unceasing innovation should be, as well, taken in consideration in the management practice. Finally, we believe that the UAE's enterprises will make a remarkable push in the management practice and they are going to overtake their counterparts in Japan and China and catch up with the world in the coming decade.

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