



**An ethnographic investigation into Mongolian management in the  
context of cultural and institutional changes**

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*To my beloved dad and best friend  
whom I lost during this journey<sup>1</sup>*

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<sup>1</sup> Deceased June 8, 2016.

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### **Abstract**

This thesis investigates the understanding and practices of contemporary Mongolian management since the 1990s. In particular, it focusses on the shared experiences of local managing practitioners in Mongolia by exploring the conceptions of a manager, management, and managerial roles from the participants' perspective and the contextual influencing factors on their understanding.

Since the 1990s Mongolia has undergone a series of cultural and institutional changes in relation to its political, economic and societal development. The country has fluctuated between having the fastest growing economy and the world's worst performing currency. Mongolia itself has become the land of opportunity for many by attracting foreign direct investment, however, the knowledge of local management practice is as yet little understood as there have been no academic or empirical studies conducted in English before. Therefore, this research aims to build an understanding of the concept of management in Mongolia by examining the narratives of thirty five local managers in relation to their experiences during and after the socialist period. Moreover, it investigates the contextual influencing factors from practitioners' perspectives with an ethnographic approach.

This qualitative study draws on interviews with three groups of local managers in Mongolia, who are described as socialist-era, transitional-era and non-native managing practitioners. There are some similarities and differences amongst these identified groups, but each was distinguishable by their formal training, work ethic and management approach. Furthermore, this research found that the intertwining contextual factors of a nomadic cultural heritage, socialist legacy, and the pressures of the current economic and societal changes and political interference influence management thinking in equal measure in contemporary Mongolia.

The importance of this study lies in its theoretical and empirical contributions. By evaluating the relationship between classical management literature and indigenous management concepts with a focus on the varieties of contextual factors, this study attempts to provide an original insight into non-Western management practices. It aims to extend the current theories of crossvergence, indigenous management studies, and understand the nature of managerial work in a cross-cultural context. By carrying out the first academic study to examine Mongolian management perspectives in English, it contributes empirically to global management knowledge, and to the local business community.

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## **CHAPTER ONE: INTRODUCTION**

### **1.1 Thesis overview**

In the past few decades, the world has witnessed rapid growth in transitional economies with the increase in foreign direct investment and the entry of multi-national companies as well as the opening of small and medium-enterprises (e.g. Holtbrügge, 2013). Mongolia, one of the last remaining nomadic countries with its rich mineral deposits of coal, copper, gold, uranium and rare earths, estimated at 2.75 trillion USD, is considered to have high-potential investment opportunities (Tina, 2012). Since the transition from a socialist to a democratic regime in 1991, Mongolia opened its borders to the rest of the world and the country's economy has experienced tremendous changes. It became the world's fastest growing economy with 17.5% GDP growth in 2011 yet had the world's worst-performing currency in 2016, when it lost approximately 7.8% of its value within a month (e.g. Kohn, 2016). Volatile changes in the local economy and politics have slowed foreign direct investment compared to 2011, however interest in working with Mongolians and conducting business in Mongolia has not changed. Since 1990, over 10,709 foreign companies have invested more than 590.3 billion USD and 11,514 companies from 35 different countries have entered the Mongolian business sector (National Statistical Office, 2016). Understanding local management, the work force and views on work ethics has become a key task for many non-native managers. Local managers have faced the increasing challenges of working with expatriates, foreign investors and adapting to international standards. Both Mongolian and non-Mongolian managers have accepted the need to learn about how management is understood among local practitioners to cope successfully and improve their skills. At the same time, practitioners find it difficult to access relevant information on the nature of local management practices.

As one of the newest emerging nations in the global economy, Mongolia and its business and management practices together with other developing countries from the so called

*'transitional periphery'* have not yet been researched in any depth in international business literature (Wood and Demirbag, 2015).

Mongolian studies have tended to focus on history (e.g. Bartlett, 2009; Man, 2009; 2010; Weatherford, 2004) pastoralism, everyday life, shamanism, ethnicity, social issues, rural area development and kinship in the pre- and post-Soviet period (e.g. Alexander, Buchli and Humphrey, 2007; Humphrey 2002; Humphrey and Sneath, 1999a; 1996b). Since a democratic government was established in 1990, international economic and financial organisations, the International Monetary Fund and the Asian Development Bank, have prepared reports on the local economic situation, adopting Milton Friedman's theories (Rossabi, 2005). Local and international NGOs have published reports about the socio-political and financial situation, focussing on transition, unemployment, gender, domestic violence, human rights, children and education (e.g. Baasanjav, 2002; Bayliss and Dillon, 2010; Bruun and Narangoa, 2011; Buxbaum, 2004; Diener, 2011; Diener and Hagen, 2013). Apart from studies and reports on mining there are limited appraisals of business and management practices. Although an emerging and post-communist country, Mongolia has never been included in Hofstede's (1984; 2001) studies of former Soviet Republics (FSRs) (e.g. Kiblitckaya, 2000; Siemieńska, 1994; Woldu et al., 2006) and there is a void in the literature on cross-cultural management studies.

The earlier stage of this research had a broader focus on management, cross-cultural studies, international business and organisational studies and analysed cases of transitional economies. During the literature review it became apparent that there was limited management information pertinent to Mongolia. Similarly, Google Scholar has 22,000 results for 'Mongolian business and management studies', in which *'management'* refers only to pastoral and ecological concepts. A similar enquiry for China had 1,960,000 results and for Russia 762,000, which all covered relevant topics (Scholar Google, 2016).

Results of both highlighted the limited research of business and management practices in Mongolia. This research aims to address this and indicate that both audiences of academia and practitioners may benefit from this study.

Studying Mongolian management and management practices raises the age-old question of what management is and how it has been explored by scholars. Two distinct streams of literature on management were reviewed for the conceptual purposes of this study. The Western understanding of management through classical literature, was developed and accepted by Anglo-American scholars (e.g. Fayol, 1916; 1930; Mintzberg, 1973; 2009; Taylor, 1911) and indigenous management explores the same topic in a non-Western context (e.g. Chilisa, 2012; Holtbrügge, 2013; Jackson, 2013; Tsui, 2004).

Studies of management have been dominated by Anglo-American scholars as early as the beginning of the 19<sup>th</sup> century (e.g. Fayol, 1911; 1930; Taylor, 1911; Weber, Gerth and Mills, 1948). The historical context of the industrial revolution, mass production and economic performance was commandeered by the United States and Western Europe. Until recently international management research has been dominated by Western developed approaches.

The etymology of management has the Latin roots of '*handling*', specifically '*handling horses*' (Witzel, 2012) and the Italian word *maneggiare* was used in the 13<sup>th</sup> century to refer to the people who were responsible for them. Interestingly, scholars agree that the historic understanding of management comes from the idea of training an animal. By 1700 the term 'manager' described a person, whose activities involved supervising others (e.g. Witzel, 2012). 'Management' described the relationship between employer and employees when the Industrial Revolution started in Western Europe and scientific and systematic research of it began (Ibid). What is intriguing about the historic root, is that if we accept that management refers to an ancient practice of handling horses, then we acknowledge that this practice has for a long time been present in many cultures, and in fact Mongolia is a perfect example. In Mongolia, while the exact word of *management* is not used, different phrases have been used

for handling horses for centuries. At the same time, who is better than Mongolians in terms of handling horses? Mongolian nomads have been herding five animals, namely horses, camels, sheep, goats and cows for centuries and call them '*five-snouts/jewels*'. Horses are the most respected and symbolic animal and local children learn to ride them as young as three. Today Mongolia has nearly 60 million animals including 3 million horses for a population of just above 3,1 million (National Statistical Office, 2016). Therefore, the actual practices of organising, handling and training an animal have always been present in Mongolia. Which brings the next question of is the idea of management a new practice or an existing one with a new name for managers in Mongolia.

Indigenous management studies are a developing stream of literature which opposes Western ideas by focusing on locally-meaningful constructs (Tsui, 2004). Since the 1990's they have been an emerging concept in contemporary global management literature and consider that Western developed models are less effective in non-Western countries (e.g. Banerjee and Prasad, 2008; Gopinath, 1998; Meyer, 2006; Panda and Gupta, 2007; Zheng and Lamond, 2009). Studies are increasing in popularity in international management research and the importance of context-specific studies has been noted (e.g. Das, 2009; Xu and Yang, 2010). The underlying concept is the deeply rooted cultural ethos in management practices in emerging countries. Advocates built their argument around the local shared perceptions of culture, heritage and philosophy. For instance, Chinese management is explained by the practice of *guanxi* which originated in Confucianism and reflected traditional society based on factors that promoted shared social experiences between and among individuals (e.g. Park and Luo, 2001). Das (2009) showed how the Indian view was deeply rooted in ancient epics such as the Mahabharata and Ramayana. Additionally, Jackson (2013) demonstrated how the success of firms in Africa was affected by the local paternalistic approaches that have evolved over several centuries.

Management in Mongolia could benefit from being investigated with an indigenous management perspective given the country's rather unique cultural ethos. However, the idea of applying a deep rooted cultural or philosophical ethos into a Western-developed management model, as in existing indigenous management concepts (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013; Xu and Yang, 2010) seems an over-simplified approach. There is the repeated idea of emphasising local culture without considering that it is dynamic and ignoring other non-cultural factors, such as economic and political influences. Hence, it raises the question of whether exploring a deep-rooted cultural ethos is sufficient or even the most crucial element to represent management practices in a specified context.

Both literatures of classical management theories and indigenous management concepts are peer-reviewed and scholarly-accepted arguments. What is fascinating is that the traditional notion of management in the Western mind is very much result oriented and driven by accomplishments whereas, the traditional idea in a non-Western context focuses on the cultural values. A potential question that emerges is whether these two views are contrasting, complementing or contributing to a third hybrid way of thinking about management. Thus, reviewing both bodies of literature is vital for building an understanding of Mongolian management.

Western studies indicated the influences of culture (e.g. Hofstede, 1984; 2001; House et al., 2004; Schein, 1985; 2010), economic ideology (e.g. Ralston et al., 1997; 2008; 2015) and institutions (e.g. Drahokoupil and Myant, 2015; Friel, 2011). Indigenous management literature identified culture as the main influencing factor (e.g. Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004). Therefore, to identify the key influencing factors the next section introduces the context of the study by providing a brief overview of the history, culture and economic and political transitions in Mongolia.

## 1.2 Contextual background of this study

The country's history goes back 800,000 years to the Lower Palaeolithic Era and some of the oldest monuments known as *hun-chuluu* (human-stone), which are still found today, were built by the early steppe people 3,000 years ago (e.g. Baabar and Kaplonski, 1999).

Throughout history, Mongolian nomads have had an immense influence on their neighbouring countries through ruling and trading. Mongolia's southern neighbour China built the Great Wall against incursions by various nomadic and military groups as early as the 7<sup>th</sup> century BC. Northern neighbour Russia established their capital, Moscow during the Mongolian sovereign regime which founded the Golden Horde Empire (1237-1480) ruled by Batu Khan and Jochi, who were the grandsons of Chinggis Khaan. Chinggis Khaan is one of the best-known historical figures in Mongolia building the Great Mongolian Empire in the 13<sup>th</sup> century. The population of the empire grew from just under one million at the formation of the Mongolian State to 100 million at its peak in the mid-1200s. It made great economic, political and cultural developments across Asia and Europe, formulating the standardised use of money. Trade and communication increased between Asia and Europe creating new routes, ports, cities, laws and educational systems (Weatherford, 2004). Many scholars identified that the secret of the Mongolians' impressive battle strategy was the grassland and their indigenous knowledge of sustainability (Man, 2010).

The fifth king of the Mongol Empire, Kublai Khan, was the founder of the Yuan Dynasty and built the city now known as Beijing between 1213-1293. Descendants of Chingis Khaan established major cities, brought political stability and re-established the Silk Road (via Karakorum) thereby bringing an end to the Islamic Caliphate's monopoly over world trade. The Great Empire lasted until the early 14<sup>th</sup> century when Mongolia divided and descendants settled in Russia (most former Soviet Union "kzstan" countries), China (Inner Mongolia), and Turkey. After the Yuan Dynasty Mongolia came under the rule of the Chinese Manchu Empire (1611-1911), and then declared independence when this collapsed in December



1911. However, this was not recognised internationally until 1921, when Baron von Ungern-Sternberg came to Ikh Khuree and restored the Javzandamba Hudagt (The Bogd Khaan) to the throne. With the help of the Soviet Red Army, local partisans and a constitutional monarchy Mongolia was declared a Socialist country in 1924 and known as the Mongolian People's Republic until 1992 (e.g. Bawden, 1989; Kaplonski, 1998; 2008).

The socialist regime lasted for seven decades until the collapse of the Soviet Union and the Soviet bloc in 1989-1991. During this time the country went through economic change and the collectivisation of independent nomads' livestock caused rebellion. The 1930s were a dark period for Mongolians and thousands fled to escape cultural and spiritual persecution. There are no accurate numbers but some 30,000 people were executed during the religious and cultural purges. The Great purge started in 1937, persecuting 16,631 monks most of whom were shot. (Baabar and Kaplonski, 1999). Out of 771 temples, 615 were destroyed, and by 1938, out of 85,000 monks only 17,338 remained (Baabar and Kaplonski, 1999). Under Socialism, all religious history, culture and shamanic rituals were banned. Among the executed monks were politicians, academics, medical practitioners, authors and leaders. People had to conceal their background, especially anyone whose parents or grandparents were from that category of 'feudal' described as noble, educated, wealthy and upper middle class.

In the late 1980s the local political and social atmosphere shifted, and Mongolians, mostly led by the younger generation, staged pro-democratic protests. Mongolia then went through a peaceful transition from socialism to democracy and the first democratic election was held in July 1990. The new constitution was adopted on January 13, 1992, and amended in 1999 and 2001. It established a representative democracy in Mongolia by guaranteeing the freedom of choice in religion, human rights, travel, speech, government and elections. In 1992, Mongolia adopted a policy of rapid privatisation (Rossabi, 2005) which saw the beginning of dramatic changes in local politics and the economy.

## Traditional nomadic culture

Mongolia has embraced the nomadic lifestyle ever since the early inhabitants of the steppes and the first state Hunnu people (also known as Xionghnu or Huns) were first recorded in 209 BC (Sneath and Kaplonski, 2010). With livestock and herding accounting for about 20 percent of the current GDP, and employing about 1 million people which is one third of the entire population, Mongolia is still one of the truly nomadic countries in the world (Humphrey, 2012).

Scholars agreed that nomadism is the key cultural and social identity of Mongolia (e.g. Humphrey and Sneath, 1999; Sneath and Kaplonski, 2010). Although their definition of nomadism differs, there is common agreement on a pastoral life (e.g. Dahl and Hjort, 1979; Khazanov, 2003) kinship (Lindholm, 1986) and free movement (Lattimore, 1962: 141). Humphrey and Sneath (1999) noted that nomadism plays an important role in cultural values and influences people's actions and philosophies, even if a sedentary lifestyle has been adopted.

According to cultural anthropologists, the Mongolian nomadic heritage is based on the notion of *homeland*, which represents the relationship between humans and the landscape, *a trilogy orientation*, that refers to a traditional social hierarchy and the relationship between the past, present and future, and the concept of a *golden thread*, a notion that reflects pride in one's ancestors. Particularly, Mongols identify themselves with the lineage of Chinggis Khaan, who formed the Great Mongolian Empire by uniting the warring steppe tribes under the banner 'the people of the felt tent' (Kaplonski, 2005).

The notion of *homeland* or *my mountain* reflects the pastoral life style of a close relationship with nature and worshipping the Earth and Sky (Humphrey and Sneath, 1999). Sarlagtay (2004: 324) noted that the real gem of Mongolia is the grassland and stated 'the foundation of nomadic liberty is land'. Mongolians call their land "*eh oron*", meaning motherland, the

origin of everything. They came to see the natural world as imbued with spirits, gods and cosmic meaning by observing nature and believing that unusual phenomena or landmarks were expressions of spiritual forces (Humphrey and Sneath, 1999: 85). Hence, they believed that people belonged to a precise location, at a specific mountain or river and developed rituals for worshipping them.

The concept of leadership was based on charisma, respect and accountability. Tribal elders, chiefs and shamans were responsible for guiding rather than commanding and there was mutual respect between elders and youngsters (Humphrey, 1995). According to Wickham-Smith, (2013b) the Mongols' deep connection with their ancestors and respect for their elders was inspired by the notion of land. Thus, nomads believe their land (origin of everything) is given to them by their ancestors and it is then their responsibility to pass it on to their descendants. Therefore, the traditional social hierarchy is built on mutual respect and responsibility between three generations, *the trilogy orientation*.

Following traditional hierarchy, identifying their origin as descendants of nomadic warriors, including the lineage of Chinggis Khaan, is very popular among Mongolians. The notion of a 'golden thread' for linking themselves to their greatest ruler has been re-established in contemporary Mongolia after being banned during socialism (Rossabi, 2005). Therefore, the fame of Chinggis Khaan impacts on the philosophy and deeper assumptions of a new generation (e.g. Humphrey and Ujeed, 2013).

## Socialist Mongolia

Socialism brought industrialisation to Mongolia and played a significant role in shaping the current employer and employee relationship. During the seven decades of socialism, groups of nomadic families formed collective farms, called a *negdel*, with schools and a hospital. Humphrey and Sneath (1999: 78) defined these as a ‘total social institution’ with a strong cultural, political and economic identity. They continued to herd their livestock to seasonal pastures and were supported by collective transport and agricultural infrastructures (Humphrey and Sneath, 1999). In urban areas, the workplaces developed communist principles and collective ethics (Dalaibuyan, 2012) and *Hamt olon* (a workplace collective) played a key role in social life. Individualism and non-participation in collective activities were seen as unacceptable behaviour (*ibid.*)

The communist ideology stressed that state-controlled industrialisation was the key to social and economic progress, which brought a dramatic change to the nomadic way of life. The leadership practice of controlling and ensuring ‘for the greater development of socialism’ dismissed the traditional nomadic values of loyalty, individual commitment and charisma. This compelled Mongolia to rely heavily on the Marxist doctrine (Ibid). As in many other socialist countries an entirely new line of managers was created from a proletarian background. Zimmerman (2012) noted that the *darga nar* (manager/boss), who was responsible for the budget and workforce, promoted equality and group effort which was measured only by productivity. It created a break from the traditional concept of leadership within Mongolia. Nevis (1983) argued that individual accountability was the weakest function in a socialist society due to shared responsibility and a state-controlled mechanism. Likewise, organisation was bureaucratic and an individual’s roles and responsibilities were not clearly defined under the premise of all being equal within the shared values of socialism (Van Vugt et al., 2004). Hence, during the socialist era, the traditional Mongolian values of individual effort and working towards their own ‘fortune’ of homeland, livestock and tribe

were replaced by contributing towards collective farms to fulfil targets set by the state. Similarly, Peng and colleagues (2001) argued that the assumption of guaranteed employment created a work environment where ambition was undermined and individual performance was insignificant. The work environment had now become a place to socialise and create *hamt olon* (co-workers), which was identified as one of the four main informal networks in Mongolia (Dalaibuyan, 2012).

To sum up, the seven decades of socialism brought state controlled education, industrialisation and new terms in employment relations to Mongolia. However, the total ban on traditional and religious activities whilst promoting proletarian leaders and communism, distanced the traditional values and an entire generation grew up under the influence of a Marxist-Leninist doctrine and its underlying values.

## **Contemporary Mongolia**

The transition from a planned to a free market economy brought fundamental changes to Mongolia and they are presented below in three sub-sections of economic, political and societal changes.

### ***Economic changes***

The first democratic election took place in July 1990 and the first Deputy Minister Davaadorjiin Ganbold began to encourage outside involvement. He undertook the turbulent period of ‘shock therapy’ guided by the International Monetary Fund and the Asian Development Bank (Murrel, 2012). International investment organisations produced reports on the Mongolian economy and suggested implementing the privatisation of banks and other sectors. Fifteen new banks were opened in less than two years and Prime Minister Dashiin Byambasüren instigated a policy of rapid privatisation, encouraged by the work of the US

economist Jeffrey Sachs in the countries of post-Soviet Eastern Europe. People, who had no understanding of the principles of monetarism or experience of the stock exchange, were thrown into privatisation and a free market economy overnight. The reduction of government price controls meant that they rose dramatically and in 1992 inflation topped 325%. Industries began to suffer, businesses went bankrupt and the level of unemployment rose accordingly (Ibid). Many people were forced to leave their jobs and find an alternative way to earn an income.

Selling on the black market was no longer taboo and people began travelling to China to bring back goods to sell and others with handcrafting skills used them to earn an income. More people started experimenting in sales, and the new profession of ‘travelling salesperson’ emerged. Unfortunately, the greater part of the workforce had technical training from socialism but no experience of management. Therefore, the techniques required for being a manager were alien to the emerging small, family-owned enterprises.

Under the new constitution of 1996, the government put in place favourable tax and mining regulations. In the 2000s foreign corporations of all sizes arrived in great numbers, attracted by rising commodity prices and the extensive geological work already completed by the Soviets. Major projects entered development, new deposits were discovered, and the economy grew at an unprecedented rate and foreign direct investment FDI boomed. (Eyler-Driscoll, 2013). With the enormous reserves of coal, copper, gold and other minerals, strong democratic values, a well-educated workforce and no significant regional or ethnic conflict, Mongolia was considered an ideal partner for industrialised countries.

In 2013, the Prime Minister announced that Mongolia would commence oil exploration (Seaborn, 2013) and it is predicted to become a global economic growth generator by 2050.

Since 1990, 11,514 companies from 35 different countries have entered the Mongolian business sector, (National Statistical Office, 2016) ) investing \$4.7 billion between 1990 and

2010, 73.9% of which was into the mining industry. (The Ministry of Economy, 2012a; 2012b). In 2001 Ivanhoe Mines, a Canadian mining company, announced the discovery of the world's largest untapped reserves of copper and gold in the South Gobi desert. It has invested \$6bn for the Phase1 development of the world's largest copper mine which is estimated to have deposits worth \$24 trillion which will produce 1.3% GDP of Mongolia (Oyu Tolgoi, 2013). It is one of 456 mining companies in Mongolia (The Ministry of Economy, 2012a).

Following enormous growth in the local economy due to the mining boom and foreign direct investment, the private sector grew significantly. Most private businesses in Mongolia started from small, family-run enterprises employing relatives. Those who succeeded are industry leaders today enjoying an increased market share and consumer spending power. Today, the private sector has become the largest contributor to the local economy comprising 116,900 companies that employ 65% of the total workforce, and generate 56% of local GDP (National Statistical Office, 2015). In 2014 Mongolian companies were listed on the Hong Kong stock exchange for the first time (Mongolian Economic Forum, 2014).

The local economy continues to go through turbulent times as GDP growth has decreased by 50% and foreign direct investment plummeted by 58% in 2016 due to inadequate foreign investment laws. However, sanctioning long awaited projects and the general election in June 2016 have brought optimism to the local economy and foreign investors.

### ***Societal changes***

The amended Constitution of Mongolia established a representative democracy which guaranteed freedom of movement for citizens (The Constitution of Mongolia, paragraph: 18, 1992) and opened its borders to the world. This allowed international organisations to enter the local economy and Mongolians to travel to non-socialist countries. Management consultants and trainers have been invited to Mongolia and local managers can now travel abroad for tuition. One of the fastest developing sectors is the hospitality industry and some

of the world's largest hotel chains, such as Shangri-La and Best Western, have opened in the last few years. The latest franchise is the Holiday Inn which has confirmed it will launch a hotel in Ulaanbaatar in 2016 (Max Group, 2016). These foreign companies have introduced the Western management approaches of incentive based salaries and sales targets to local organisations for the first time (Ibid). At a government level, Mongolia hosted the 11th Asia-Europe Meeting (ASEM), an informal dialogue and cooperation, in July 2016 for the first time as a direct result of its open border policy (M.A.D Mongolia Newswire, 2016).

The number of people, who are travelling abroad is increasing steadily, and there were an estimated 120,000 Mongols living overseas by 2015 (National Statistical Office, 2015). The government of Mongolia runs a state programme which has enabled students to study abroad with a full scholarship (The Ministry of Education, 2015). The number of students funded privately will be more than 20 times greater (National Statistical Office, 2015).

Young Mongolians returning with overseas experience are the most significant change in the local workforce. The astonishing local economic growth was a good reason for many to return to their country. Although, there is no official figure or survey of their employment since they returned, their influence on the workforce is one of the societal changes in contemporary Mongolia.

The first providers of higher education opened in 1994 and began degree courses. Mongolia has 125 universities and 89 of them offer degrees in business, which produce 15,850 graduates with a business or management degree every year (The Ministry of Education, 2015). During my fieldwork, I visited both public and privately-owned Business Schools to see the course structure and talk to lecturers and students. Investigating the curriculum of one of the top schools, I found seven core texts. One was an American book published in 1994, two Russian books of 1997 and 2000, and four Mongolian statistical handbooks for a 'Quality management' module from the 'Handbook for Postgraduate Taught and Research Programmes' from the National University of Mongolia (School of Economics, 2010:84)



where half of the teaching staff obtained their degrees during socialism. There were several local branches of Russian, Chinese and Australian institutions, as well as some overseas private higher education providers running franchised programmes, including the Association of Chartered Certified Accounts (ACCA). However, students expressed their concern that using too many case studies of multi-national companies' may have very little application in the local business and management environment.

The availability of affordable and reliable internet connections has enabled everyone, including herders from remote areas of northern Mongolia, to access the internet. It is an inevitable result of how technology influences our daily lives today. Technological advancement has brought changes in local networking and customer perception. Online-based networking, sales and marketing are all new to local society, however they have already become one of the most powerful tools for local businesses.

### ***Political changes***

Following the first democratic election in July 1990, the People's Great Khural (equivalent to parliament) created the new position of President of Mongolia, and established elections every four years. Citizens of Mongolia vote for 76 members of parliament who play a key role in the setting of the country's laws and legislation (The Constitution of Mongolia, 1992). The new constitution in 1992 established a representative democracy in Mongolia by guaranteeing freedom of choice in religion, human rights, travel, speech, government and elections. In 1996, the government put in place favourable tax regimes and mining regulations which attracted international attention. Within four years, major geological work was being conducted and the country was identified as one of the world's mineral-rich countries. In February 2000, Mongolia adopted a nuclear-free state and became a buffer zone between its two superpower neighbours, China and Russia, as well as stating its intention to take a neutral peacekeeping role internationally. Mongolia is an active participant in United

Nations conferences and summits and has declared an interest in taking a seat on the Security Council. It has been a member of the Convening Group of the Community of Democracies since January 2012 (United Nations, 2016).

Although, Mongolia transitioned from socialism to democracy in a peaceful way and actively became involved in international relations, the government has undergone criticism from local and international companies and economists in recent years. The local political institutions failed to keep consistency in mining and foreign direct investment laws and its negotiation skills were questioned in closing major mining projects. Particularly, the enactment of the Strategic Entities Foreign Direct Investment Law (SEFIL), which was amended in 2012 and the introduction of the Forests and Water Law and the Nuclear Energy Law, which together revoked thousands of mining licences. The Parliament of 2012 appointed three Prime Ministers during their four year tenure, which caused disorder in local politics and the economy. In June, 2016, the Mongolian People's Party (MPP), the former socialist party, won 65 out of 76 seats in the General Election and formed a unicameral parliament (The State Hural of Mongolia, 2016).

An unstable government and poor decisions in foreign investment law and mining regulations were seen negatively and foreign direct investment dropped by 64% in 2014 (World Bank, 2013; 2014). Falling global commodity prices and an increase in government spending meant higher inflation and increasing pressure on the repayment of the sovereign bond interest which is due in 2017 (World Bank, 2014). The reputation of an unstable government with a constantly-changing parliament has created uncertainty and made potential investors extremely cautious. The formal institutions were scrutinised by international partners and James Liotta, partner of international law firm Mahoney Liotta, said the pendulum of Mongolian politics had swung firmly towards resource nationalisation:

*“Accustomed to their experience during the Soviet era of Five-Year Plans and rule by law— where the laws could be arbitrarily changed or enforced at will— the Mongolians are now struggling with the concept of being bound by their own legislation.”*

(Nina Wegner, 2013: 23)

The local regulatory bodies’ lack of negotiating skills, poor planning and high spending, level of corruption and political instability have been increasingly criticised by the local and foreign media in the last few years.

History is essential for building an understanding of Mongolia as a country and Mongolians as people. The brief introduction to the local history, nomadic cultural heritage and current socio-economic and political changes indicate that understanding local management practices cannot rely on a single cultural phenomenon like the ‘*golden thread*’ or ‘*my mountain*’ as there are various contextual influences that all have a bearing. At the same time, the story of Mongolia shows that the practices of managing, planning, leading and organising have existed throughout history with different purposes and names. Before socialism the understanding and practice of management was focussed on livelihood, and inspired by a traditional paternalistic approach and charismatic leadership. Socialism brought central planning, a collegial culture and regulated work hours and created autocratic leadership amongst practitioners. The transition from a planned to a free economy in the 1990’s brought rapid change and the terms of management and managers arrived for the first time along with privatisation, socio-political reform and freedom of speech and movement. All these changes have an impact on understanding management in the Mongolian context.

To sum up, the above context of the study establishes the importance of this research due to the country’s economic growth, but also methodologically it provides the basis for exploring the understanding of management in Mongolia from a local practitioners’ perspective.

### **1.3 Research aims and objectives**

This thesis aims to build an understanding of management in Mongolia from the perspectives of local management practitioners. Conceptually, it brings together notions of management developed in Western literature in relation to both Western and non-Western management contexts. In doing this, it attempts to avoid imposing a Western bias or sentimentalising management as indigenous in a non-Western context. Therefore, the objectives of the thesis are:

1. To provide an overview of Western literature on what management is;
2. To review existing literature addressing the meaning of management in a non-Western contexts;
3. To build an understanding of management from the perspective of practitioners in the Mongolian context;
4. To identify the key influencing factors on practitioners' understandings of management; and
5. To build an understanding of Mongolian management by expanding the notion of crossvergence.

### **Research methods**

The aim of this research is to build an understanding of management in Mongolia and investigate the interrelation of the contextual influences through local practitioners' shared perspectives. The exploratory nature of the research question locates this study within the interpretative paradigm with an inductive approach. The ontological belief of interpretation claims that reality is socially constructed and ever-changing, and focuses on making sense through people's behaviour and their surrounding environment (e.g. Glesne, 2011). Thus, local practitioners' understanding of management, manager and managerial roles in the ever-

changing socio-cultural, economic and political environment of Mongolia are explored through a qualitative study.

Furthermore, this study adopts ethnographic approach, which involves the researcher's active participation in people's lives through observation, discussion, and the collection of documents to discover the shared perceptions (Hammersley and Atkinson, 2007). Ethnography has become an established field in management and organisational studies and extensive full length studies have been conducted (e.g. Czarniawska, 2008; Gaggiotti, Kostera and Kryzworzek, 2016; Johansson, 2012; Śliwa, 2013; Rowe, Turner and Pearson, 2016; Van Maanen, 2011a; Walz, Hoyer and Statler, 2016; Yanow, 2012).

Gaggiotti, Kostera and Krzyworzek (2016), stated that conducting an ethnographic study requires creating a relationship with participants and studying their reflections over a prolonged period. My association with potential study participants had been built through my personal and professional experience, which gave me an immediate advantage for my fieldwork. Simultaneously, ethnography allows the researcher to use creative methods to understand the participants' environment (e.g. Gaggiotti, Kostera and Kryzworzek, 2016; Kostera, 2007; Yanow and Schwartz-Shea, 2015). Therefore, it enabled the use of multi-methods in collecting the rich empirical material needed for discovering the meaning and concept of management in Mongolia.

This research used the narratives of 35 local managers by conducting in-depth semi-structured interviews with 26 native Mongolian and 9 and nine non-Mongolian practitioners. In addition, the use of visual materials from participants' offices, and field notes were used to create a 'fuller picture' and identify the key influencing factors in their understanding.

The main empirical material was collected over two years in the summer of 2014 and 2015 in Ulaanbaatar, Mongolia after conducting a successful pilot study between December 2013 and April 2014 in London, United Kingdom. Initial participant recruitment started through my personal and professional network among business communities within the United Kingdom

and Mongolia and snow-ball sampling (e.g. Browne, 2005; Noy, 2008) was used to identify potential participants for the main empirical material collection.

The data analysing process had two stages of pilot and early data analysis by adapting a constant comparative (e.g. Glesne, 2011), followed by a thematic approach (e.g. Cassell and Symon, 2011; Feldman et al., 2004; Riessman, 2005) for the main empirical material. Following the narrative analysis of 35 interviews, Czarniawska's (2014) five-step photograph analysing techniques were adapted for the selected images taken in practitioners' offices. In agreement with Bell and Davison (2013), the empirical analysis combined verbal and visual materials to gain a deeper understanding of how local practitioners perceive their career. Combining materials allowed this research to investigate the spiritual and symbolic relationship between aesthetic objects and their owners (managers), as well as examining the *thematic ordering of events* (e.g. Czarniawska, 1997) in participants' narratives.

Finally, trustworthiness in interpretation was recognised in this research. Issues of reliability and validity, using multiple-languages in qualitative research, the researcher's bias and research ethics were carefully evaluated and implemented throughout the empirical material collection, analysis and discussions.

### **Researcher's interest in this field**

This study was chosen because of my personal and professional background in business and cultural activities that focus on Mongolia in the UK and Europe. I was born in Mongolia, brought up by my grandparents and learnt Mongolian old script, Tibetan and Manchu through home schooling. I was fortunate enough to feel and experience the true nomadic culture, value, and meaning and was educated in Russia, Germany and the United Kingdom. My work has allowed me to travel across Europe, Asia, and the Middle East, as a management consultant and lecturer in Human Resources Management and Cross Cultural studies for undergraduate and postgraduate students in both public and private institutions. Throughout I

have gained experience for work, professional networks and a broad view of the world. During my academic and consulting experiences, I worked on international projects and delivered professional training courses from corporate to government level. The different cultures, beliefs, and norms have always intrigued me and initially I started reading intercultural communication in business relations for my PhD (e.g. Gudykunst, 2005; Guirdham, 2005; Spencer-Oatey and Franklin, 2009). When I started in 2012, I considered highlighting the importance of intercultural communication and interaction when promoting business ethics within corporate and management frameworks by comparing western and Mongolian cultures. My experiences of moving, living and studying in Western countries, yet having nomadic cultural values made me realize how unique the Mongolians are and how it can deeply affect an individual's behaviour and thinking. At the same time, the economy experienced rapid growth with foreign direct investment and the entry of international firms. There was an increasing interest and demand for working with Mongolians and conducting business in Mongolia among foreign investors. My experience of getting involved in business events started in 2011 when I became a Board Member of the UK-Mongolian Business Council and a regular attendee and speaker at informal and formal events including the high-profile Invest Mongolia Summit. All these opportunities enabled me to meet investors and practitioners as well as identify the challenges of working with local and international managers. After talking and working with practitioners I realised that understanding the local culture is one of the many aspects for effective management and how the recent socio-cultural, economic and political changes have influenced their perspectives. However, little research is available on the Mongolian business culture or management practices. Hence, my research focus shifted to exploring further how management and managerial roles are understood by practitioners in that context. Building an understanding of management in Mongolia will contribute not just towards global management knowledge, but also it will be the first attempt to build an academic and empirical foundation about local management understanding.

## 1.4 Research significance

The importance of this research lies in its theoretical and empirical contributions. By evaluating the relationship between classical and indigenous management concepts with varieties of contextual factors, this study provides an original insight into the literature on non-Western management practices. Being the first academic study of Mongolian management in English, it contributes empirically to global management knowledge and provides practical implications to the business communities.

### Conceptual contributions

In relation to cross-cultural management studies, this research extends the theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015) by *incorporating previous political and economic ideologies* as an element of crossvergent outcomes. Existing literature on convergence and divergence debate the importance of the roles of national culture and current economic ideology in non-Western countries (e.g. Brewster, Mayrhofer, and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung, Heung and Wong, 2008). Theories of crossvergence bridged both influences of culture and economic institution (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2007; 2015), and Ralston et al. (2015) added the influence of societal changes. However, this thesis recognises the limitations in theories of crossvergence, which were developed through quantitative methods by generalising nations and the insufficient examination of the non-cultural and non-economic factors. The emergent empirical evidence indicated that management is influenced by a socialist legacy, which extends the theories of crossvergence by adding the influences of previous economic ideology and political institutions.

Furthermore, this study claims *convergence is an ongoing process*, which opposes the debates of convergence and divergence. The extant argument of convergence and divergence



is based on examining management development from the point of national culture or current economic ideology to measure the influence of Western ideas in non-Western countries (e.g. Brewster, Mayrhofer, and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbshire, 2000; Leung, Heung and Wong, 2008; Ralston et al., 1997; 2008; 2015). However, the narratives indicated that traditional management understanding shifted from nomadic concepts to commanding and controlling under socialism in Mongolia. Hence, this study proposes the theory of crossvergence as management understanding in non-Western countries was evolving before the entry of Western influence and current economic ideology.

Moreover, it identified more influencing factors than national culture, current economic ideology and societal changes with a qualitative approach. Therefore, identifying and analysing key contextual influences together will bring more insight to the understanding of a local management approach. Examining practitioners' perspectives with an ethnographic approach extends the theories of crossvergence with a qualitative perspective.

In relation to indigenous management theories, this research considers that examining conceptual influencing factors and the notion of management may be beneficial in constructing concepts and argues that there are more factors than just a deep-rooted cultural ethos (e.g. Das, 2009; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004). This study suggests extending the examination of a deep-rooted cultural ethos into a broader framework by considering the non-cultural contextual factors to build an indigenous management model for a given country.

Also, by investigating from the practitioners' perspective within the context of an emerging transitional country, this thesis investigates the under-examined notion of management in an indigenous management context. Existing theoretical frameworks emphasise context-specific constructs (Tsui, 2004: 501), which generally refer to national culture rather than management. By combining conceptual views from classical theories and perspectives from local managing practitioners, this thesis highlights the importance of exploring the concept of

management from the practitioners' viewpoint, as well as acknowledging the literature from Western-developed theories.

Moreover, the empirical study raised the perspective of gender differentiation which has been overlooked in existing literature and management concepts (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013).

In relation to the nature of managerial work (e.g. Mintzberg, 1973; 2009; Watson and Harris, 1999; Watson, 2013a; 2013b), this research identifies the role of current social norms and expectations. Additionally, it examines the concept of management through a variety of players including native and non-native practitioners. Existing literature on cross-cultural management studies (e.g. Brewster, Mayrhofer, and Cooke, 2015; Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015), studies of transitional economies (e.g. Drahekoupil and Myant, 2015; Linz and Chu, 2013), or indigenous management theories (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004) created a disparity between local and non-native managers. They either imposed Western influences on local management practices or described how non-native managers coped with the local environment (e.g. expatriate studies). This thesis suggests that all three distinctive groups of managers, including younger and older Mongolian and non-Mongolian managers, can add insight in building management understanding in the local context, which adds another perspective for non-Western contexts.

### **Empirical contributions**

This study has a second audience apart from the academic community as the empirical contributions could have a positive impact for the business community. This research allowed me to meet local managers and international investors. During that process, non-native managers admitted their lack of knowledge about local management and native practitioners expressed their keenness to learn from the best practices within the global business environment. Therefore, this study has implications for both Mongolian and non-Mongolian

managers, as well as several suggestions for local government officials and education providers.

In general, the study findings indicated that the local understanding of management and managerial approaches are complicated, contested and chaotic. The underlying complex circumstances and intertwining influences of local cultural and institutional changes have contributed to the muddled nature of local approaches. The need for Mongolian practitioners to improve their skills in situational analysis with a systematic and scientific approach is suggested. The communication gap between the younger and older generations and the challenges of improving technical competency are discussed in the conclusion chapter (six).

Empirical findings suggested that non-Mongolian managers' dearth of knowledge is due to a lack of studies in the relevant subjects. Narratives indicated that the local infrastructure, literacy rate and business opportunities came as a pleasant surprise for many. However, those, who had been managing local staff were often challenged in understanding or creating an effective work environment. The more practical implications of understanding the local circumstances, like the symbolic relationship between land and humans, the influence of socialism and improving language skills are suggested for non-Mongolian managers.

The final suggestions are aimed at the public sector and education providers in Mongolia. The private sector businesses have developed faster than the local political and educational establishments. Many accounts highlighted the challenges of dealing with the bureaucracy in local authorities. The frequent changes in parliament and over-involvement of local authorities in business activities have had a negative effect on creating a stable business environment. To promote stability there needs to be fewer changes in the legal framework and communications between regulatory bodies and private businesses improved to encourage private businesses and foreign investment.

In addition, most participants expressed their disappointment over the gap between qualifications and employable skills among new graduates. Some Business Schools' curriculums have not been updated since the end of socialism during which most of the teaching staff obtained their qualifications. Consequently, practitioners emphasised the amount of time and effort taken in teaching basic business skills to their newly-hired employees. This study suggests improving the quality of future graduates by requiring equal input and effort from local government, universities and businesses to promote internships and placements. Furthermore, Business Schools could take the initiative in updating the curriculums, using local business case studies and engaging with industry links in the classrooms.

All empirical contributions and practical implications are based on participants' narratives and more detailed suggestions are included in the Conclusion (chapter six) of this thesis.

## **1.5 Thesis outline**

This thesis is divided into six chapters. The first chapter introduces the theoretical and conceptual background, followed by the researcher's interest and methods for the main empirical material collection. By introducing a brief critical summary of literature on management theories in relation to both a Western and non-Western contexts, this chapter signals that the conceptual background of this study will not impose theories that focusses on Western context, nor exoticise non-Western perspectives in building theoretical arguments for this study. Mongolia is an emerging country in both the international business and cross-cultural management literature, so it was important to provide a thorough background about the country's history, culture and transition from socialism to a market economy. At the same time, this chapter attempts to establish how the research question and objectives were arrived at through originality, as well as presenting its significance in both an academic and business context.

The second chapter presents the relevant literature in relation to the understanding of the concepts of management, a manager and managerial roles with perspectives from classical and indigenous management theories. Due to the nature of the research aim and objectives, studies of organisational ethnography were reviewed to form the research approach and justify the selection of the conceptual framework. Contextual influencing factors are explored through the roles of culture and institutions with the literature on organisational culture, institutional theories and varieties of capitalism. Discussions on convergence and divergence were followed by theories of crossvergence to bridge the cultural and institutional impacts in understanding management.

The research methodology, methods and analysis for the empirical material are discussed in the third chapter with details of the pilot study, sampling strategy and process of the main fieldwork. Trustworthiness in interpretation is acknowledged with the importance of reliability and validity and use of multiple-languages in qualitative research, the researcher's bias and research ethics.

Study findings and analysis are presented in chapters four and five before the concluding remarks in chapter six.

## **2. CHAPTER TWO: LITERATURE REVIEW**

### **Chapter overview**

The aim of this chapter is to construct a conceptual framework that supports the research investigation in exploring the understanding of management in a Mongolian context. This chapter is divided into four sections to build the theoretical foundations.

The first section offers an overview of the concepts of management, a manager, and managerial roles in a Western context. Due to the exploratory nature of this research, studies of the nature of managerial work (Mintzberg, 1973; 2009) and ethnographic studies addressing the notion of manager and management practices (Down, 2012; Watson and Harris, 1999; Watson, 2013a; 2013b) have been chosen as key sources. Furthermore, an overview of studies of organisational ethnography (e.g. Höpfl and Hirst, 2011; Johansson, 2012; Kociatkiewicz and Kostera, 2012; 2015; Shortt and Warren, 2012; Śliwa, 2013) are presented to demonstrate the current development of organisational and management studies from qualitative perspectives.

The second section reviews the literature on management in a non-Western context, in particular indigenous management concepts (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004).

The third section provides a critical summary of these two bodies of literature, which were developed separately but address the same research issues from different viewpoints. Reviewing conceptions of management developed in relation to Western and non-Western contexts, it assists in identifying the commonalities and differences.

The final section identifies the contextual influencing factors following the argument that management is context-dependent in both Western (e.g. Down, 2012; Watson, 2013a; 2013b) and non-Western (e.g. Holtbrügge, 2013; Jackson, 2013) literature. The contextual factors of culture and formal and informal institutions were examined with the intention of investigating

the key influencing factors. The role of culture is accepted as one in both Western (e.g. Schein, 1985; 2010) and non-Western contexts (e.g. Hofstede, 1984; 2001) including in indigenous management literature. The impact of formal and informal institutions is investigated mainly in Western texts with institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) and varieties of capitalism (e.g. Friel, 2011; Hall and Soskice, 2001).

The debate of convergence and divergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung, Heung and Wong, 2008) and theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015) are discussed to link the cultural and institutional impacts in non-Western countries. In addition, selected studies in transitional economies (Drahokoupil and Myant, 2015; Linz and Chu, 2013) are examined the understandings of management during the socialist era.

This chapter ends with a summary of the literature review and theoretical framework, which details the shortcomings of pre-established models to support the empirical findings and the need to develop an integrated conceptual framework to understand management and managerial work in the given context.

## **2.1 Understanding management in Western contexts**

This thesis aims to build an understanding of the concept of management, a manager, and managerial roles from the practitioner's perspective in the context of Mongolia. Hence, this study reviewed the literature that focusses on management and managerial work from a qualitative perspective. Specifically, studies with an ethnographic approach have been selected due to the nature of the research aim and questions. This section starts with exploring the concept of management within traditional approaches (e.g. Mintzberg, 1973; 2009; Taylor, 1911; Weber, Gerth and Mills, 1948), followed by giving an overview of

organisational ethnographic studies (e.g. Czarniawska, 2008; Gaggiotti, Kostera and Kryzworzecka, 2016; Johansson, 2012; Kociatkiewicz and Kostera, 2015; Shortt and Warren, 2012; Śliwa, 2013) to demonstrate the current developments in management and organisational studies to justify why the conceptual framework draws on studies by Down (2012), Mintzberg, (1973; 2009) Watson (2013a; 2013b) and Watson and Harris (1999).

The idea of a manager and managerial roles in a Western context are investigated with theoretical underpinnings drawn from the nature of managerial work (Mintzberg; 1973; 2009), the ‘emergent’ manager (Watson, 2013a; 2013b; Watson and Harris, 1999) and the ‘reality’ of an entrepreneur manager’s daily activities (Down, 2012).

#### **a. Understanding the concept of management**

Defining management is an enormous task, beginning with early research work by scholars providing various definitions of classical (Fayol, 1916; 1930) and scientific (e.g. Taylor, 1911; Weber, Gerth and Mills, 1948) to ethnographic studies in management (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999). The traditional approach of defining management highlighted the importance of *functions*. Fayol (1916; 1930) formulated his definition as ‘to forecast and plan, organise, command, coordinate and control, or Gulick (1937) who suggested that ‘management is planning, organising, staffing, directing, co-ordinating, reporting, and budgeting’.

Subsequently researchers acknowledged the complexity of managerial work and began to relate methods of management to managerial behaviour. The studies of Carlson (1951), Mintzberg (1973) or Stewart (1976) were based on observing the nature of managerial work and proposed that management is an action of ‘*getting things done*’ through various activities dependent on circumstances. Mintzberg's (1973) work on ‘myths’ of management was influential in investigating the reality of management by observing daily activities to reach the desired outcome. He argued that management is a practice that is learnt through



processes and hence management is not a science, nor a profession. Whilst he contended that the fundamental nature of management and managerial work remains comparable in different contexts, it is rather early to conclude that his pre-developed framework is applicable for understanding local management in Mongolia. Furthermore, the underlying argument of his paper revolves around functions and business activities. It illustrated 'management as a practice with a scientific nature of analysing evidence, creating visionary insights and crafting the nature of learning through practical experience' (Mintzberg, 2009: 11). His methods of collecting empirical material by following managers physically and analysing their diaries were innovative methods in exploring the nature of managerial work.

Since Mintzberg's (1973; 2009) concept of exploring '*the reality*' from a practitioner's perspective, other researcher especially in the field of organisational ethnography have further developed understanding of what management is and what managers do (e.g. Brannan, Rowe and Worthington, 2012; Czarniawska, 2014; Gaggiotti, Kostera and Kryzworzecka, 2016; Kostera, 2007; Watson, 2011; 2012). Scholars highlighted the importance of ethnographic work in organisational and management studies as it brings conceptual, intellectual and pedagogic value into contemporary research practices (Brannan, Rowe and Worthington, 2012; Watson, 2012). Yanow (2012) brought an inspiring thought that argued the key principles of ethnographic approaches developed the classical management studies, such as Taylor's (1911) 'Principles of Scientific Management' based on observation-based descriptions, or Weber's (1983) studies of Bureaucracy, and The Hawthorne Studies (e.g. Locke, 1976), which relied on the researcher's presence in the field. Moreover, she drew attention to the significance of organisational ethnography that lies beyond merely exploring organisational complexities (Yanow, 2012). In the same note, Watson (2012) echoed the concept that an organisation is a part of society. Hence, he suggested that studying an organisation and its management must include the influence of the social world and its members' interpretation in the research.

Organisational ethnographers have contributed body of knowledge by carrying out research that goes beyond scientific facts. Studies by visual ethnographers created the new concept of interpreting symbols in understanding organisational complexities (e.g. Höpfl and Hirst, 2011; Shortt and Warren, 2012). Shortt and Warren's (2012) study used photographs as a narrative method in examining identity at work. They argued that by using visual narratives, the researcher can investigate the worker's identity, as well as evaluate the background image. Höpfl and Hirst (2011) carried out an ethnographically oriented investigation into socio-spatial structures in a hot-desking office environment by contextualising it into the spatial configuration of capitalism. On the other hand, Johansson (2012) looked at the concept of imagining in the practices of place branding. She constructed narratives on the three time orientations of past, present and future to construct symbols and material realities in re-imagining a garden city. In another research, Śliwa and Riach (2012) explored the relation between sense and experience of change in post socialist Poland. This study highlighted the role of smell in relation to transition, specifically, as an experience of change in contemporary Poland. Kociatkiewicz and Kostera (2012; 2015) carried out studies in leadership and organisational studies by employing symbolism, imagination and narratives to explore morally sustainable leadership (2012). Their other study used a labyrinth as a metaphor of organisational transformation (2015). Both studies were based on ethnographic investigation and explored the organisational complexities through explaining human experience and symbolic interpretations.

Although being well aware of current developments of organisational ethnography has enabled me to form the research approach for this study, the actual focus of investigating what management is, who managers are, and what managers do, brings the conceptual framework back to classic management literature, such as Mintzberg's (1973; 2009) studies together with ethnographic works of Down (2012) Watson (2013a; 2013b) and Watson and Harris (1999).

Watson and Harris' (1999) book titled 'The emergent manager' examined the notion of manager through the concept of 'developing', and argued that becoming a manager is an individual and professional process. Furthermore, Watson (2011; 2013a) advocated the ethnographic approach in management studies, and claims that the reality and reflectivity of work and profession can only be confessed through telling '*what is really happening*'.

Down (2012) examined the meaning and experience of becoming and being an entrepreneur. His book of 'Enterprise, entrepreneurship and small business' is based on his three years of ethnographic work in a small firm that operated in the port infrastructure industry. Watson (2011) welcomed his writing style, real-case materials and self-reflexivity to provide challenge and knowledge to the reader.

Therefore, the conceptual framework of this thesis adapted Mintzberg's (1973; 2009) studies on the nature of managerial work and ethnographic studies on meaning and being a manager by Down (2012) Watson (2013a; 2013ba; 2013b) and Watson and Harris (1999). The next two sections discuss the concepts of a manager and managerial roles in a Western understanding by drawing on the conceptual framework of this study.

## **b. Understanding the conception of a manager**

Compared to studies that investigate the notion of management and managerial roles, there is considerably less study completed to examine who is a manager. The traditional approach of defining a manager was function-based. For example, Stewart (1976: 4) defined the manager as 'anyone above a certain level, roughly above foreman in control of staff or not' or Reed (1984) suggested a 'fixer'. Subsequently, defining a manager purely from functions was replaced by examining managerial behaviour and given situations. Hales (1986; 2001) argued that examining a manager and managerial work must consider who they are and the conditions under which they are working. In the same way, recent studies on management

investigate the concept of a manager from function and situational circumstances (e.g. Mintzberg, 1973; 2009), and as an individual person, whose actions are shaped by their own personal experiences (e.g. Down, 2012; Watson and Harris, 1999; Watson, 2013a; 2013b).

One of the common views amongst researchers is based on roles and responsibilities (e.g. Mintzberg, 1973; 2009). Scholars agree that a manager is a person, who is responsible for overseeing and supervising others depending on the situation (e.g. Mintzberg, 1973; 2009; Watson and Harris, 1999). There are some popular metaphors that examine the concept of a manager through roles and responsibilities, including Drucker's (1964: 162) 'orchestra conductor' or chameleon (Goleman, 2000). Mintzberg (2009) provided several definitions indicating the complexity of defining management in relation to the multiple roles and responsibilities for staff and the organisation. His first definition emphasised a manager's role in developing staff as 'a manager is someone, who is responsible for a whole organisation, or identifiable part' (2009: 10). This indicated that a manager is accountable for helping others to perform and decide and act better than their team. Then, when he discusses organisational culture, his definition has changed from an individual to 'the energy centre of a unit's culture' (2009: 69) emphasising organisational performance and achievement.

Watson and Harris (1999) argued that examining the notion of a manager should not just focus on roles and responsibilities towards staff and organisational performance, but needs to include an individual's personal experience and background. Their influential account raised some thought provoking points such as, there is no profession of becoming a manager as illustrated by 'children do not dream of being managers' (1999: 27). Watson and Harris' (1999) notion of 'emergent' is in line with Mintzberg's (2009) idea that management is an ongoing practice. Watson and Harris' (1999: 57) suggested that becoming a manager is a process of 'ever-emergent' self-identities based on their ethnographic investigation. Their approach was expanded further in Watson's (2013a) study on management and Down's (2012) research on becoming an entrepreneur. Watson and Harris' (1999) definition of a manager extended Mintzberg's (2009) function based view by adding the dimension of an

individual, who is influenced by personal experience. Therefore, they highlighted the ‘emergent’ process through personal and professional experiences as, ‘a manager is a person, who is selected and paid to run managerial activities and deliver results through creating an effective management process based on his/her personal experiences and organisational demand’ (Watson and Harris, 1999: 3). It is also worth mentioning Mintzberg’s (2009) agreement that managing is a practice that is less influenced by theories and more influenced by practices and becoming a manager is an individual process that any person who is selected goes through.

In addition, Watson and Harris (1999) identified the unrealistic expectations of contemporary society and organisations towards the qualifications of managers by examples of phrases used in the advertising of management posts. All the strong adjectives of ‘highly competitive’, ‘truly world class’, or ‘intellectual, energetic, having fresh ideas’ mean managers have to be someone who has endless energy, enthusiasm, ideas and resilience. Watson (2013a; 2013ba; 2013b) and Watson and Harris (1999), considered management scholars and practitioners often set unreachable criteria and ignored the individual’s emotions and personal life. Furthermore, Watson (2013a; 2013ba; 2013b) suggested that investigating personality through individual experience and background may provide more insight into understanding the concept of management rather than merely focussing on functions or professional aspects.

To conclude, the conception of a manager in a Western context is based on a manager’s roles and responsibilities for staff and an organisation (e.g. Goleman, 2000; Hales, 1984; 2001; Mintzberg, 1973; 2009), and explored through the individual’s experience and the professional process of becoming an ‘emergent’ manager (e.g. Down, 2012; Watson and Harris, 1999; Watson, 2013a; 2013b).

### c. Understanding conceptions of managerial roles

The traditional understanding of management in a Western context was developed through extensive studies on managerial roles and approaches (e.g. Hales, 2001; Mintzberg, 2009). Starting from the classic four functions by Fayol (1916; 1930) through to Mintzberg's (2009) 'model of managing', managerial functions are one of the most broadly researched subjects in management studies.

Some of the key debates, including Hales' (1986) study, on the relationship between managerial work and behaviour arguing that they differ greatly extended the study on managerial work by proposing five questions of 1) what managers do, 2) how managers work, 3) with whom managers work, 4) what else managers do, and 5) what qualities does managerial work need. His study has the significance of combining 30 years of findings on managerial work between 1950 and 1980. It defined methods of data collection and results, and concluded that more clarification was needed in describing managers, managerial behaviour and work. Some researchers in a Western context consider that the nature of managing and management work have remained static since Drucker (1964) or Hales (1986) studies (e.g. Mintzberg, 2009). Furthermore, Mintzberg (2009) argued that the core fundamentals of management remain focused on *achieving results*, which is applicable in different industries or countries. Organisational ethnographers Kociatkiewicz and Kostera (2012) explored the morality and sustainability in leadership approaches.

Arguably, the idea that developing an internationally-applicable managerial approach (e.g. Hales, 2001; Mintzberg, 2009) is debatable among management scholars. An alternative view is highlighted in the literature on indigenous management (e.g. Chatterjee, 2009; Holtbrügge, 2013), which will be explored further in the next section of 'Understanding management in non-Western contexts' [2.2].

Since this study explores the perception of managerial roles in a Western context drawing on Mintzberg's (1973; 2009) framework, the table below represents the 'role of managing', and

includes the daily roles and responsibilities. Mintzberg (2009: 48) stated that ‘my effort had held long enough to get me to this model, which I hope will help others to get to better models’.

Planes	Framing the Job and Scheduling the Work	
	Internal	External
<b>Information plane</b>	<b>Communicating</b> <ul style="list-style-type: none"> <li>Monitoring</li> <li>Nerve centre</li> <li>Spokesperson</li> <li>Nerve centre</li> <li>Disseminating</li> </ul>	
	<b>Controlling</b> <ul style="list-style-type: none"> <li>Designing</li> <li>Delegating</li> <li>Designating</li> <li>Distributing</li> <li>Deeming</li> </ul>	
<b>People plane</b>	<b>Leading</b> <ul style="list-style-type: none"> <li>Energising individuals</li> <li>Developing individuals</li> <li>Building teams</li> <li>Strengthening culture</li> </ul>	<b>Linking</b> <ul style="list-style-type: none"> <li>Networking</li> <li>Representing</li> <li>Convincing/Conveying</li> <li>Transmitting</li> <li>Buffering</li> </ul>
<b>Action plane</b>	<b>Doing</b> <ul style="list-style-type: none"> <li>Managing projects</li> <li>Handling disturbances</li> </ul>	<b>Dealing</b> <ul style="list-style-type: none"> <li>Building coalitions</li> <li>Mobilising support</li> </ul>

**Table 2.1** ‘Roles of managing’ adapted from Mintzberg (2009: 90)

By introducing the ‘roles of managing’, Mintzberg (2009) attempted to summarise what was required of a manager in and outside of an organisation. He used the metaphor of ‘swallowing a pill’ (2009: 90) to master all roles and qualities required of an effective manager and noted that the effect of the ‘pill’ depends on the circumstances surrounding the organisation.

His model of managerial roles highlights the multi-functional activities of a manager. Hales (2001) suggested that a manager's main role is achieving results through dealing with an uncertain and competitive business environment. Consequently, the common understanding of management, manager and managerial roles in Western writings stresses functions to attain results within a business context. This was noted as early as 1916 by Fayol (English translation in 1930), and further developed into a more comprehensive view by Mintzberg (1973; 2009) and an ethnographic perspective (e.g. Watson and Harris, 1999; Watson, 2013a; 2013b).

To sum up, the understanding of the notion of management, a manager and managerial roles in a Western context was explored through qualitative studies of management and organisation. Firstly, current literature on organisational ethnographies (e.g. Czarniawska, 2008; Gaggiotti, Kostera and Kryzworzeka, 2016; Johansson, 2012; Śliwa, 2013; Rowe, Turner and Pearson, 2016; Van Maanen, 2011a; Walz, Hoyer and Statler, 2016; Yanow, 2012) were reviewed to situate this study in a broader approach to representing management and organisations. Secondly, studies of Down (2012), Mintzberg (1973; 2009), Watson (2013a; 2013b), and Watson and Harris (1999) on the nature of management, meaning of being a manager and managerial roles were discussed in detail.

The limitations of existing theories on the notion of management, the conceptions of a manager and managerial roles will be discussed in the 'Critical summary on management understanding' [2.3] after presenting the non-Western views of management in the next section [2.2].



## 2.2 Understanding management in non-Western contexts

The study of management knowledge and practices in non-Western countries emerged during the 1990s following the economic growth of emerging countries including Brazil, Russia, India, and China (BRIC), as well as South Africa, and South East and Central Asia. A study by Goldman Sachs recognised that non-Western countries are becoming a force in the world economy and the Gross National Product (GNP) of BRIC countries will exceed the G7 countries within the next 20 years (Wilson and Purushothaman, 2006). Since the collapse of the Soviet Union, the Central Asian region has become an attractive prospect for Foreign Direct Investment (FDI) due to its mineral reserves. Countries like Kazakhstan have attracted the most FDI in recent years (Minbaeva and Muratbekova-Touron, 2013) and 590.3 billion USD has been contributed to the Mongolian economy since the 1990s (National Statistical Office, 2016). Emerging countries do not just make a financial contribution to the world economy, as there is an increasing trend in many local and international firms to be led by managers from them. Many are listed in the Fortune Global 500 firms, a list that includes globally successful financial firms Deutsche Bank and Citigroup (Holtbrügge, 2013).

Following the increasing significance of emerging markets in the world economy and human resources, scholars (e.g. Banerjee and Prasad, 2008; Gopinath, 1998; Meyer, 2006; Zheng and Lamond, 2009) have been noting the importance of studying their management knowledge and practices by questioning the suitability of Western management theories in non-Western countries. Marsden (1991), who suggested the term of ‘indigenous management’ in his article in the International Journal of Human Resource Management in 1991 defined it as;

*“...local, folk or vernacular knowledge and organizational methods, in the service of more appropriate developmental strategies”*

(Marsden, 1991: 36)

He argued that Western scientific based techniques often ignore the practical and intellectual resources in non-Western countries and highlighted this as 'backward-thinking' as they may create an alternative approach to management knowledge (Marsden, 1991). He described the use of 'indigenous' in three ways. Firstly, it refers to people who are the native yet marginal community in societies such as Native Americans or Australian Aboriginals. Secondly, it refers to independence from colonial rule, whereby people have the freedom to explore their own tradition through the third use which is 'insider knowledge'. Marsden's (1991) critique about the limited applicability of Western-developed management models in non-Western countries may well be valid in certain aspects of understanding the local culture and customs. However, he has not mentioned the functional and business aspects in management activities. Instead his underpinning argument emphasised 'insider knowledge', which referred to the basic assumptions of a given culture.

Since Marsden's (1991) study, there is an increasing body of literature concerned with constructing indigenous management concepts for the purposes of 1) presenting the notion that Western approaches need modification in non-Western countries; 2) proving that local management concepts are more effective in the local context and 3) providing an alternative approach to dominant Western theories, using context-sensitive research methods (Chilisa, 2012; Denzin and Lincoln, 2011). Indigenous management scholars feel that indigenous concepts in a local context using Western management approaches have no or very limited relevance. Secondly, when Xu and Yang (2010) conducted their studies on corporate social responsibility (CSR) in China, they found that the Western model had no relevance. Das (2009) stated that Indian management practices are deeply rooted in ancient Indian epics such as the Mahabharata and the Ramayana. Jackson, Amaeshi and Yavuz (2008) study on the relationship between the success of local SMEs and the indigenous management approach in African countries under the shared philosophy of ubuntu proved that local concepts are more effective. The third purpose for an alternative approach to the Western management theories is supported by Tsui (2004) and Welge and Holtbrügge (1999), who suggested that studies of

indigenous aspects in management practices of non-Western countries may provide an understanding of the implicit assumptions of Western theories of management. Furthermore, some researchers argue that indigenous management studies have the potential to construct universal theories through creating new views to understand management practices in a global context (e.g. Cappelli et al., 2010; Li et al., 2012).

The above mentioned three purposes are defined by indigenous management scholars, whose rationale is to develop an alternative management model by considering local knowledge and further promote it into internationally applicable theories. This thesis does not intend to develop internationally accepted management theories instead, it aims to discuss the benefits and drawbacks of indigenous management research to evaluate whether it is applicable in understanding management in Mongolia. Indigenous management concepts of *ubuntu* (Southern Africa), *jugaad* (India), *guanxi* (China), *blat* (Russia) and *clanism* (Kazakhstan) have been reviewed to build a theoretical foundation for management from a non-Western perspective.

#### **a. Current issues and trends in indigenous management studies**

Since the establishment of indigenous management studies, they have attracted both support and criticism from international management researchers. Advocates emphasise the locally meaningful constructs in unravelling management practices in non-Western countries (e.g. Jackson, 2013; Tsui, 2004). Many argue that Western approaches are not suitable as they have different traditional and cultural values and therefore ‘theories of concept’, which refers to investigating context-specific issues are needed (e.g. Tsui, 2004). Furthermore, researchers claim that indigenous management literature has the potential to contribute to global management knowledge and offer new insights into international and cross-cultural management (e.g. Li and Tsui, 2002; Panda and Gupta, 2007).

On the other hand, scholars, who question the credibility of indigenous management research argue that it is a modified version of western theories with local phenomena (e.g. Boyacigiller and Adler, 1991; Leung, 2012). Briggs (2005) warned about the danger of over-emphasizing and over-romanticizing indigenous management in practice as it can be problematic in claiming a universally acceptable approach.

It has been suggested that Western theories can become effective and internationally appropriate by adopting the indigenous research approach of context-specification (e.g. Tsui, 2004). Certain researchers have argued that indigenous research should only borrow approaches from theoretical perspectives as it looks at sensitive cases (e.g. Yang, 1993). There are scholars, who challenge the notion of ‘indigenusness’ as pure because it is hard to ignore the influences of inter and intracultural global macro factors including the history of colonialism and economic developments (e.g. Holtbrügge, 2013; Jackson, Amaeshi and Yavuz, 2008; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004). By bringing the two views of ‘pure’ (e.g. Yang, 1993) and ‘diverse’ indigenusness (e.g. Holtbrügge, 2013; Jackson, Amaeshi and Yavuz, 2008) together, some researchers suggest that studies should adapt the local and global contexts to create a truly global management framework (e.g. Chatterjee, 2009). Hence, more scholars are supporting the view that indigenous management research can contribute towards global management understanding as it has the rich empirical resources of local knowledge and practices that can be developed into new management theories (e.g. Briggs, 2005). Scholars agree that one of the main challenges is developing the appropriate research methods to investigate the context-specific circumstances (e.g. Holtbrügge, 2013) and several proposals have been put forward (e.g. Moletsane et al., 2009; Wang, Burris and Ping, 1996). However, the existing indigenous management studies tend to use the generally accepted methods of qualitative research (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013).

The above discussions on current issues and trends in indigenous management research indicate the complex nature of this literature. Researchers support the concept of indigenous management theories by identifying the limited effectiveness of Western management models in a non-Western context. On the other hand, it has been criticised for creating a binary opposition to Western theories through exoticising the context-specific nature and been challenged by defining the notion of ‘indigenusness’ in terms of theory development. Therefore, the following section introduces the key concepts of indigenous management theories with a critical insight to represent the understanding of management in non-Western contexts.

#### **b. Key concepts in indigenous management research**

The existing literature on indigenous management research mainly focussed on the management practices of China, Russia, India, South Africa and Kazakhstan and were published in international management journals (e.g. Jackson, 2013; Tsui, 2004). Each concept represented the management practices of a specific country, such as *guanxi* (China), *dharma* and *jugaad* (India), *ubuntu* (South Africa), *blat* (Russia) and *clanism* (Kazakhstan) that reflected the individualism of the local culture, society and tradition. Although each represented their management practices, there were four main underlying themes. Firstly, the basic argument for each concept highlights the locally meaningful constructs, whether it be a philosophical belief that creates socially-acceptable behaviour, deep-rooted cultural ethos or practice of a traditional society and hierarchy. Secondly, they question the suitability of Western management theories and attempts to contribute towards global management knowledge. Thirdly, existing theories focussed primarily on the local culture rather than any other contextual influencing factors. Finally, each used a Western-developed management framework, such as human resource management (Minbaeva and Muratkbekova-Touron, 2013), corporate social responsibility (Tsui, 2004) or leadership practices (Nkomo, 2011). In

this section, I will introduce the key contributors by discussing the similarities of certain concepts with the selected cases of *guanxi* (China), *dharma* and *jugaad* (India), *ubuntu* (South Africa), *blat* (Russia) and *clanism* (Kazakhstan).

The first theme is the influence of traditional society and social hierarchy. The indigenous management concepts of China and South Africa are both based on reflecting the traditional social hierarchy in their management understanding (e.g. Jackson, Amaeshi and Yavuz, 2008; Jackson, 2013; Park and Luo, 2001; Xu and Yang, 2010). Scholars, whose research focussed on Chinese management practices, claimed that the practice of *guanxi*, which is rooted in the traditional Chinese philosophy of Confucianism, is the tradition of relying on networks and shared social experiences and is an essential factor in China (Chiao, 1982; King, 1991). Farh et al. (1998), considered that Chinese society is highly formalistic, where everyone is treated according to their role in society and business activities. The empirical studies of *guanxi* are reflected in many aspects of management studies, such as relational demography (Farh et al., 1998), foreign-invested enterprises in China (Li et al., 2012), competitive advantages (Tsang, 1998), human resource management (Law et al., 2000), organizational trust (Chen, Chen and Xin, 2004) and performance of the local firms (Peng and Luo, 2000).

As with the concept of *guanxi*, management practices in South Africa are influenced by traditional social hierarchy. Mbigi and Maree (1995) introduced the term of *ubuntu*, meaning ‘people’s connection with each other’. He argued that the management practices of Africa are humanistic in orientation with a strong sense of community spirit (Fink et al., 2005; Mbigi and Maree, 1995). Several studies have been completed on investigating the communalistic approach as in the employment of staff, organizational performance and relationships between stakeholders and firms within local SMEs (e.g. Jackson, Amaeshi and Yavuz, 2008; Jackson, 2013). Once again, researchers based their arguments on a locally meaningful agenda, particularly, the traditional social hierarchy of paternalism and group-favour.

Researchers, who studied both Chinese and African indigenous management emphasised traditional society, networking and personal relationships and highlighted the importance of local knowledge in non-Western countries. Furthermore, a suggestion of adapting a communalistic approach in management philosophy, leadership and building a good relationship within and outside of groups could be adapted into global management knowledge (e.g. Hooijberg and Choi, 2000; Nkomo, 2011).

Among other indigenous management concepts *guanxi* and *ubuntu* have been researched the most (e.g. Jackson, 2013; Tsui, 2004). However, there are certain flaws in ignoring the influence of socio-economic changes, and creating a binary opposite of Western management concepts by emphasising power distance and uncertainty avoidance, as well as personal networking. China introduced free market principles after 1978 (e.g. Dahlman, 2010) and ranks as one of the highest recipients of foreign direct investment and number of global franchisees among countries in Central Asia (Ibid). Hence, ignoring economic influences and the entry of multinational firms into the local business environment and management may not provide the complete picture. Several studies observed that the concept of *guanxi* is higher in state-owned organisations than in privately owned firms, where there is a growing influence from Western-style management and investors (e.g. Li et al., 2012). Thus, it would be hard to ignore the influence of Western firms and management practices in a dyadic economic tie by only measuring the degree of *guanxi* related activities in contemporary China.

The second theme in context-specific agendas is the influence of a deep-rooted cultural ethos. Das (2009) argued that management practices in India can be interpreted through *dharma*. This is a traditional belief that creating happiness for other brings good fortune in return and is rooted in Indian epics such as the Mahabharata and the Ramayana (Ibid). Furthermore, *dharma* refers to living to secure your own and others' happiness and creating an objective in the individual, management and society. Ultimately, it reflects a people-centred management, which opposes the Western notion of individual orientation (Hofstede, 1984; 2011). At the

same time, some scholars suggested that Indian management can be illustrated through *jugaad*, a creative adaptation of meeting demands with fewer resources. Cappelli et al. (2010) and Radjou, Prabhu and Ahuja (2012) stated that it is the main principle of Indian technological innovative growth using local materials and knowledge to reduce cost and offer simplified solutions to businesses. Therefore, the Indian indigenous management concepts of *dharma* and *jugaad* are deeply rooted in the local language and circumstances.

Local culture and traditional kinship were identified as key in management practices in Kazakhstan. Minbaeva and Muratbekova-Touron (2013) analysed the characteristics of the influences of *clanism* in local human resource management practices. Interviews with local managers indicated that the degree of *clanism* is strongest in state-owned companies, however all had experienced its effect in their organization at some point. Having an ethnic mix of more than 120 nationalities and being part of the former Soviet Union had created a cultural belief of looking after their heritage and relatives as part of their responsibilities. Hence, keeping a close relationship with their immediate relatives and favouring them was the key dimension in constructing local human resources management concepts in Kazakhstan. Although, Minbaeva and Muratbekova-Touron (2013) concluded that there were other influencing factors that needed to be considered, they have not demonstrated how they would amend their study results.

The final theme indicated in existing literature focussed on social circumstances pertaining to a certain period in a country's history. Scholars, whose research focussed on Russian management practices, introduced the concept of *blat*, which refers to using personal networks and informal agreements to achieve results during a supply shortage (e.g. Ledeneva, 1998; 2009; Michailova and Worm, 2003; Puffer, McCarthy and Boisot, 2010). It is the practice of receiving goods and services through informal networks or favour, which in a Western perspective is considered to be the practice of corruption. However, Ledeneva (1998; 2009) argued that the Western interpretation of *blat* was misleading without the local



consideration of socialism during the Soviet regime. The basis of socialism is that all people are equal and everyone should benefit from commonly agreed goods and services although practices of *blat* were common but hidden from the public. *Blat* was not only to access goods and services, but also religious rituals, such as christenings, which were banned by the Soviet government. 'The nature of the regime and its constraints on human behaviour does matter in assessing the role of informal practices' (Ledeneva, 2009: 260). After the collapse of the Soviet Union access to the informal network was still important in the management of social capital, consumables, labour markets, entrepreneurship, trust and trading. The empirical study of *blat* has been criticised for not having been conducted using sufficiently valid methodological approach by Western scholars (Holtbrügge, 2013).

*Blat* is different from other indigenous management concepts as it was based on the prevailing socio-political circumstances compared to emphasising deeply-rooted cultural ethos or traditional social hierarchy. On the other hand, it has a focus on context-specific circumstances and locally-meaningful constructs, which are a basic argument for all indigenous management concepts. Furthermore, it has the drawback of overlooking the other contextual circumstances of political transition, foreign investment and socio-demographic influences. As with other indigenous management concepts *blat* was constructed in a Western theoretical framework of social capital, labour markets and entrepreneurship.

This section has introduced the body of literature on indigenous management and discussed the key concepts, current issues and trends in a non-Western perspective. The next section provides a summary on understanding management by combining both Western and non-Western perspectives.

## **2.3 Critical summary on management understanding**

This section summarises the understanding of management from both Western and non-Western perspectives. It attempts to build a conceptual framework by highlighting both the benefits and drawbacks of each perspective to answer the main research question of ‘what are the understandings of management in the context of Mongolia’.

### **a. Critical reviews on understanding management in Western contexts**

The first section [2.1] introduced the understanding of management from a Western perspective by discussing the key concepts of what is management, who is a manager and how they perform with theoretical arguments from Down (2012), Mintzberg (1984; 2009), Watson (2013a; 2013b), Watson and Harris (1999). Furthermore, it has explained the rationale of choosing studies with a practice-based approach and ethnographic perspective due to the exploratory nature of this study. The underlying reasons of limited availability in theoretical and empirical studies about Mongolian management with its associated historical influences has indicated the complexity of this study. Hence, understanding management within a Mongolian context requires further exploration. Therefore, this study has relied on existing management studies with a practical focus (e.g. Mintzberg, 1973; 2009) and ethnographic perspectives (e.g. Down, 2012; Watson, 2011; 2013a; 2013b; Watson and Harris, 1999) to examine literature about management from the Western perspective.

This study acknowledges the rich and complex nature of defining management (e.g. Fayol, 1916; Mintzberg, 2009; Stewart, 1976; Watson and Harris, 1999), and highlights the argument of defining management from a Western perspective as accomplishing within a business context (e.g. Down, 2012; Mintzberg, 1973; 2009). Moreover, following business-driven views in defining management, the understanding of a manager focussed on functions and activities to improve organisational and business activities (e.g. Mintzberg, 1973; 2009;

Stewart, 1976). In defining the notion of a manager, various definitions were developed by management scholars, such as ‘conductor of an orchestra’ (Drucker, 1964: 162) or ‘chameleon’ (Goleman, 2000). However, the traditional understanding relies on functions and activities. In contrast to the definition based on roles and responsibilities, Watson and Harris (1999) argued that the focus should not be solely on business activities as managers are people, who are influenced by their individual experiences and personal feelings. They suggested that a manager is an ever-emerging process (Ibid), which resonates Mintzberg’s (2009) proposition that management is a practice learnt through process. Down (2012) and Watson (1994; 2011; 2013a; 2013b) suggested that understanding can be explored through analysing actual cases, which can only be achieved through fully committed ethnographic studies.

Existing studies on managers’ roles emphasised functions and activities (e.g. Drucker, 1964; Fayol, 1916; Hales, 1986; Mintzberg, 1973; 2009). This study has selected Mintzberg’s (1973; 2009) nature of managerial work to acknowledge the importance of his study from a practitioners’ perspective. At the same time, I explain why his pre-established model of ‘Roles of managers’ has limitations for this study. Henry Mintzberg and management have been synonymous for four decades, and his influential work on investigating the reality of managers’ daily practices has made a significant contribution to management knowledge. In his latest book, he proposed the ‘model of management’, which summarises the varieties of roles required of a manager within and outside an organisation. He used the metaphor of ‘swallowing a pill’ (2009: 90) for mastering all the roles and qualities required to be an effective manager and noted that this depends on the circumstances. Further, he claimed the credibility of his research as ‘my effort had held long enough to get me to this model, which I hope will hold long enough to help others to get to better models’ (2009: 48). In his model, he described the six main roles of communication, controlling, leading, linking, doing and dealing with three separate focusses of information, people and action (2009: 90). There is no doubt that his ‘myths’ about management and the ‘role of managing’ model are a great

contribution to management knowledge and it was sensible and logical that he distinguished managerial roles within and outside of an organisation. However, limitations of his model make it impossible to be used as sole conceptual basis of this study. These limitations include:

a) limited evidence or discussion on how those roles are recognised internally and externally. For instance, the role of controlling or leading cannot be extended outside of a company. The role of linking is designated to build a network with people outside of the organisation which raises a question about the importance of linking with people within as identified by ‘managerial politics’ (e.g. Burns and Stalker, 1961; Jackall, 1988; Watson, 1995; Watson and Watson, 1999). They refer to dealing with the politics of career advancement and territory within an organisation as a challenge for every manager (Watson, 1995; 2013a);

b) it is purely based on ‘function’ and there is limited concern in acknowledging the individual personality of a manager. There was little indication of how a manager’s personal experiences and identity influence their career since Watson and Harris (1999) had argued that this would affect their perception of management. Hence, looking at a manager’s personal circumstances and identity may provide a fuller picture compared to understanding managerial ‘functions’. Since Mintzberg’s (1973; 2009) original research, scholars in the disciplines of critical management studies and organisational studies have spent a long time developing non-functionalist approaches to management (e.g. Grey and Willmott, 2005; Dent and Whitehead, 2013; Sturdy, Wright and Wylie, 2016).

c) his sampling is based on observing managers from a variety of industries to understand the underlying complexity of managerial work regardless of which sector they were in. However, all his 29 participants were from developed countries, namely England and Canada, apart from one executive manager who worked for the Red Cross in Tanzania. He contended that the model was applicable in a variety of contexts. However, the concept of indigenous

management of relying on a personal network (*guanxi*) in China (Tsui, 2004), believing in karma (*dharma*) in India (Das, 2009) or the practice of nepotism and human resource management (*clanism*) in Kazakhstan (Minbaeva and Muratbekova-Touron, 2013) are a questionable match for Mintzberg's (2009) 'model of managing'.

By providing a critical summary on understanding management in a Western perspective by using Mintzberg's (1973; 2009) ideas, this study acknowledges the importance of existing studies, as well as recognising their limitations. Furthermore, analysing the benefits and drawbacks of existing studies indicates that this study will not impose the pre-established management models of Mintzberg's (2009) concept on the 'role of managing' or Watson and Harris' (1999) notion of the 'emergent manager' in empirical material. Instead, this research attempts to build an understanding of management in the Mongolian context by being aware of existing management studies in conjunction with an ethnographic perspective.

## **b. Critical reviews on understanding management in non-Western contexts**

The second section [2.2] introduced research about the understanding of management in a non-Western perspective by discussing the key concepts and current issues of indigenous management literature (e.g. Holtbrügge, 2013; Jackson, 2013; Minabaeva Muratbekova-Touron, 2013; Tsui, 2004). The existing body of literature made a significant contribution to global management knowledge conceptually and empirically by bringing the context-specific perspective to emerging markets. Tsui's (2004: 501) argument that using the native language and analysing local subjects was fundamental in constructing a management model in a non-Western country, was supported in this research. Mongolia is one of the emerging markets in Asia and there is a demand for discovering more about local business and management practices. However, there are very limited studies about Mongolia on a theoretical or empirical level for several reasons. One is that researching Mongolian management practices

requires competent language and cultural skills to interpret local practitioners' perception of their work and roles. This is why Tsui's (2004) argument of emphasising locally-meaningful constructs is supported in this study. However, agreeing with the terms of context-specific research (e.g. Holtbrügge, 2013; Jackson, 2013) does not mean that this study will exoticise the understanding or impose the theoretical discernment of indigenous management literature in the empirical material. Instead, it will critically explore existing literature and pinpoint the limitations and identify key gaps.

Firstly, studies of indigenous management have concentrated on certain periods of time and ignored the dynamic nature of culture. The Russian indigenous management concept of *blat* was developed by looking at the time of socialism (e.g. Ledeneva 1998; 2009; Michailova and Worm, 2003; Puffer, McCarthy and Boisot, 2010) and ignored the past or current circumstances. Similarly, the Indian indigenous management concept of *dharma* argued that local management practices are influenced by traditional epics (e.g. Das, 2009). Both countries have a rich culture, traditions and a history of economic transition and therefore, it is questionable to construct a management model by only examining a certain time frame.

Secondly, some studies ignored the influences of socio-economic changes such as globalisation and economic development by claiming local management concepts were based on a deep-rooted cultural ethos or philosophical orientation. For example, scholars of Chinese management practices claimed that the underlying influence of local management practices is *guanxi* (e.g. Chen, Chen and Xin, 2004; Li et al., 2012; Park and Luo, 2001), which was inspired by Confucian ideologies. They further argued that Western management methods, such as corporate social responsibilities, had no relevance in the local context (e.g. Xu and Yang, 2010). In the same way, it is claimed that the African leadership model of *ubuntu* opposed the Western view of leadership by emphasising a traditional social hierarchy (e.g. Fink et al., 2005). Arguably, both countries have substantial influences from Western companies through foreign direct investment and the entry of foreign firms (e.g. Dahlman,

2010) and ignoring them questions the credibility in indigenous management of the concepts of *guanxi* and *ubuntu*.

Finally, existing literature indicates that current indigenous management concepts are built on applying Western developed management models despite them having limited applicability in non-Western countries. Existing models used the Western theories of leadership (e.g. Nkomo, 2011), human resource management (e.g. Law et al., 2000; Minbaeva and Muratbekova-Touron, 2013), entrepreneurship (e.g. Ledeneva, 2009) or performance management (Li et al., 2012) in their studies. Therefore, the next question is how the notion of management is understood or explored in developing indigenous management concepts for non-Western countries.

Due to the critical insights described above, this study is not going to exoticise Mongolian management by highlighting the nomadic heritage of a *golden thread* or *nutgiin hun*. Furthermore, with the rich and complex study background provided earlier ('Contextual background' in chapter one), this study will investigate the understanding of management from a local practitioner's perspective with consideration of the influence of cultural and institutional contexts.

### **c. Summary of critical reviews regarding understandings of management in Western and non-Western contexts**

To sum up, the bodies of literature on understanding management in Western and non-Western contexts have been developed separately, although both bodies of knowledge were aimed at developing internationally accepted management theories (e.g. Holtbrügge, 2013; Mintzberg, 1973; 2009; Nkomo, 2011). There are clear differences between the two approaches as the Western perspective focussed on functions and results (e.g. Mintzberg, 2009; Watson and Harris, 1999; Watson, 2013a; 2013b), and the non-Western emphasised

meanings and activities outside of an organisation (e.g. Jackson, 2013; Tsui, 2004). Furthermore, indigenous management studies question the suitability of Western-developed theories in non-Western countries (e.g. Fink et al., 2005; Marsden, 1991; Xu and Yang, 2010). By contrast, indigenous management research has been criticised for being a modified version of Western theories (e.g. Boyacigiller and Adler, 1991; Leung, 2012).

In addition to studies in Western contexts and indigenous literature, investigation into the practices of former socialist countries offers alternative perspectives on understanding their conceptualisations of management. Kostera and Wicha's (1995) retrospective historical study on managerial roles in communist Poland between 1950s and late 1980s presented intriguing facts and interpretation on how socialist managers 'act' in the 'play' called management on the stage of the communist 'theatre'. It highlighted several identities for socialist managers and suggested that their 'socialist' identity continues to influence them in post-communist countries.

In comparison to literature in a Western context or indigenous theories, it emphasised the heavy involvement of politics on management thinking and managerial activities compared to focussing on organisational success (e.g. Mintzberg, 2009) or a deep-rooted cultural ethos (e.g. Das, 2009; Minbaeva and Muratbekova-Touron, 2013). There were obvious strong influences from the ruling political party, centrally-planned decisions, and collectivist work ethics on management thinking and identities in communist Poland and other socialist countries. The term of manager did not exist as the military terminology of commander or supervisor was used (see *The Activists* in Kostera and Wicha's (1995) article).

However, this does not mean that management identities and practices in communist countries were in binary opposition to capitalist ideologies or indigenous management literature. The socialist ideology of collectivism and practices of decisions made by higher authorities resonate with the indigenous management concepts of *clanism* in Kazakhstan (e.g. Minbaeva and Muratbekova-Touron, 2013) or *guanxi* in China (e.g. Tsui, 2004). Male



dominated management was also common practice up until the 1970s in Western contexts (e.g. Kerfoot and Knights, 1993) and continues to be a challenge in the corporate sector (e.g. Laplonge, 2016; Oakley, 2000). Kostera and Wicha (1995) noted that the identity of socialist managers has changed over time from being a hard-working and self-critical 'commander' to the master, who creates an image of intelligence, wealth and creativity. Furthermore, they acknowledged that a communist manager's commitment has shifted from politics to success and profit after the collapse of the Soviet Union. However, Kostera and Wicha (1995) and Rottenburg (1994) observed that the communist system is still deeply ingrained in people's perceptions and attitudes towards management.

Although this research is not a comparative study, investigating theoretical insights about socialist countries' management activities and practitioners' identities pre-1990s provides additional perspectives for interpreting management thinking in contemporary Mongolia. Furthermore, it would be interesting to conduct a similar retrospective study to examine the 70 years of communist rule and how it influenced managerial identities and roles during the socialist era and its impact on management in 21<sup>st</sup> century Mongolia.

This study accepts and acknowledges management literatures in Western, indigenous, pre and post-communist contexts. By examining different perspectives of knowledge and understandings, this study suggests that understanding management in an international context requires a flexible approach, which can accommodate locally meaningful constructs within a global business orientation. The driving motivation behind this study is to investigate the degree to which understanding management in an organisational context can be flexible to accommodate locally meaningful constructs. Therefore, this study adapts the theoretical underpinnings of Western developed theories and uses a broad conceptual framework to theorise the empirical findings. Furthermore, this study adapts Tsui's (2004: 501) 'context-specific approach' to understand the concept of management in the Mongolian context.

The next section explores the underlying influences on management and managerial roles from both Western and non-Western perspectives.

## **2.4 Contextual influences in management understanding**

To be able to mould Western notions of management to accommodate locally meaningful constructs requires appreciation of their differences which adds a further element of dissonance between the two traditions. The conflict between the theoretical perspectives in terms of what is applicable, what is general or what is specific is divided by identifying the key influencing factors in both bodies of literature. In both, the argument that management is influenced by different factors and circumstances has been acknowledged (e.g. Holtbrügge, 2013; Mintzberg, 2009; Tsui, 2004; Watson, 2013a; 2013b), although their focus on the key contextual factors differ. Literature on indigenous management emphasised the local culture (e.g. Das, 2009; Fink et al., 2005; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004), whereas mainstream management theories also identified institutions, politics and the economy (e.g. Friel, 2011; Hofstede, 1984; 2001; Ralston et al., 1997; 2007; 2015; Schein, 1985; 2010).

Although, both understandings accept that management is context-dependent neither closely engaged with building several factors into one study. For instance, indigenous management theories identified the influence of culture but overlooked non-cultural factors of economy and political institutions (e.g. Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004).

Whereas, Western theories identified various influencing factors (e.g. Holmes et al., 2013; Morgan, 2007; Schein, 1985; 2010) each was investigated through a separate body of literature. The role of culture was identified as a part of organisational culture in Western contexts (e.g. Schein, 1985; 2010). In non-Western countries it was examined by several cross-cultural management scholars including Hofstede (1984; 2001) and House et al. (2004). The influence of formal and informal institutions was investigated through the institutional

theories of a country (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) or the varieties of capitalism from a firm's perspective (e.g. Drahokoupil and Myant, 2015; Friel, 2011; Morgan, 2007).

The debates of convergence and divergence focussed on examining the degree of the influence of local culture and Western ideas in the management methods of non-Western countries (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbshire, 2000; Leung, Heung and Wong, 2008). Simultaneously, Ralston et al. (1997; 2008; 2015) attempted to link influences of culture and institutions by proposing the model of crossvergence. A theory of crossvergence argues that management practices in non-Western countries are influenced by national culture and current economic ideology, and in his latest study (2015) he added social factors. However, the impact of other identifiable institutions (e.g. legal and political) in literature on institutional theories and varieties of capitalism have not been examined and this research asks whether their inclusion would be beneficial.

#### **a. Influences of culture**

There is a clear understanding that culture influences management and it is acknowledged in both Western and non-Western perspectives (e.g. Hofstede, 1984; 2001; Minbaeva and Muratbekova-Touron, 2013; Schein, 1985; 2010; Tsui, 2004).

Within Western literature there is the understanding that organisations are cultures, especially in the qualitative and interpretative works that explored its influence. Schein (1985; 2010) raised the anthropological perspective to understand the role of culture within an organisation and its influence on the perception towards managers and management. He adopted the qualitative and anthropological approach by extending Kluckhohn's (1951) notion that culture is a core concept for interpreting a group's behaviour through analysing thinking

patterns, feelings, reactions and core values. Furthermore, Geertz's (1973) approach of 'thick description' was acknowledged in Schein's (2010: 14) 'The three levels of culture' model. Schein (2010) stated that 'culture is the concept of abstraction which consists of individual and group members' personalities and characters and it constrains our behaviour through shared norms' (2010: 14). Hence, exploring how culture affects an organisation and its management brings understanding to Western literature with qualitative and interpretative perspectives.

Schein (1985; 2010) argued that culture is complex and a core element in understanding organisation and management and it should be interpreted through deeper and more complex, anthropological models. Furthermore, he suggested that culture can be analysed within three major levels, namely *artefacts*, *beliefs and values* and *basic assumptions*. Schein (2010) commented that *artefacts* are visible activities and products that can be seen, heard and observed, yet it remains hard to understand why that particular group of people behave in that way. Moreover, he argued that a culture cannot be interpreted and analysed without observing daily activities and people's behaviour in a certain situation. Only someone who has stayed in the same physical environment can interpret the values and beliefs that guide their behaviour (Schein, 2010: 25). His analysis adapted Geertz's (1973) view that culture cannot be understood by someone who is an outsider and can only be best described and interpreted by 'insiders' or 'natives'. The notion that culture can be interpreted by an 'insider' supports this study's rationale. In his second cultural level of *espoused beliefs and values*; Schein (2010: 26) argued that an individual's own values and beliefs are reflected in group behaviour and could gradually become a shared value or belief. This may transfer into *shared assumptions*, if the individual value brings a good experience through *social validation* (Ibid). His notion of *espoused beliefs and values* echoes Watson and Harris' (1999) ethnographic study on analysing the understanding of a manager through the individual's own experiences and values. They felt that understanding should go beyond business activities by investigating an individual's personal background (see section 2.1). The foundational level in Schein's (2010:

26) ‘model of culture’ is *basic underlying assumptions*, which relate to the essence of culture and behaviour in various situations (Ibid). His ‘three levels of culture’ are in line with earlier developed anthropological approaches (e.g. Argyris and Schon, 1974; 1996) which argue that basic assumptions can become the ‘psychology’ of people which are extremely difficult to change (Schein, 2010: 28).

What is interesting in Schein’s (2010) ‘Three levels of culture’ is that artefacts, espoused beliefs and values, and basic assumptions are the underpinning argument of indigenous management concepts, which emphasise a deep-rooted cultural ethos and its influence on a local manager’s behaviour (see Section 2.2). The theoretical application of investigating cultural influence on management from Western writings (e.g. Schein, 1985; 2010) into indigenous management theories’ core argument (e.g. Das, 2009; Nkomo, 2011) may create a further challenge for scholars to prove how their conceptual arguments theoretically, methodologically and empirically differ from Western-developed models with qualitative and interpretative perspectives.

In non-Western management contexts, culture has been explored through mainly international and cross-cultural studies. Indigenous management literature acknowledged the importance of local culture and a deep-rooted cultural ethos in management practices (e.g. Jackson, 2013; Tsui, 2004). However, existing studies focussed on a context-specific country rather than establishing a general understanding of what effect culture has. Hence, the understanding of culture outside of a Western context, often draws on well-criticised and advocated cultural dimension models like Hofstede’s (1984; 2001; 2011) and the Global Leadership and Organisational Behaviour Effectiveness project (GLOBE) by House and colleagues (2004).

Classification of cultural dimensions to understand local influences in business and management in non-Western countries (Hofstede, 1984; 2001; 2011) was noted for its popularity by both advocates and opponents in cross-cultural studies. His research is described as *Culture’s Consequences* (1980; 1984) and defines the four dimensions of *Power*

*Distance*: ‘the extent to which the less powerful members of organizations and institutions expect and accept that power is distributed unequally’ (e.g. Hofstede, 1991: 28; Hofstede and Peterson, 2000: 401). *Uncertainty Avoidance*: ‘intolerance for uncertainty and ambiguity’ (e.g. Hofstede, 1991: 113; Hofstede and Peterson, 2000: 401). *Individualism versus Collectivism*: ‘the extent to which individuals are integrated into groups’ (e.g. Hofstede, 1991: 51; Hofstede and Peterson, 2000: 401). *Masculinity versus Femininity* ‘assertiveness and competitiveness versus modesty and caring’ (e.g. Hofstede, 1991: 82–3; 1998b; Hofstede and Peterson, 2000: 401).

His primary data was collected through a survey of 116,000 managers, employees and supervisors at IBM, drawn from 53 countries (Hofstede et al., 1990: 288). He added the fifth dimension of *Long-Term Orientation*: ‘people’s consideration about the future by studying Confucian dynamism’ and tested it in 23 countries to investigate the differences between long and short-term rewards (Golden and Veiga, 2005).

The second cultural model is the GLOBE project conducted in mid-1990 with samples from 62 cultures and societies throughout the world (House et al., 2004). This was a quantitative study based on surveys and a questionnaire among 17,000 managers from 951 organisations around the world. The main objective of this project was to replace Hofstede’s (2001) work by focussing on leadership and organisational effectiveness. It proposed nine dimensions of Uncertainty Avoidance, Power Distance, Institutional Collectivism, In-Group Collectivism, Gender Egalitarianism, Assertiveness, Future Orientation, Performance Orientation, and Humane Orientation.

Both studies of Culture’s Consequences (Hofstede, 1980; 1984; 2001) and the GLOBE project (House et al., 2004) have attempted to interpret them from the perspective of non-western countries. Currently, Hofstede’s (1980) work has been cited more than 61,000 times and attracts praise by its advocates. At the same time, both have attracted criticism from

qualitative researchers (e.g. Adler, 2002; Farnham et al., 2003; McSweeney, 2002; 2009; 2013; Schwartz, 1994), who question the validity and quality of their studies. McSweeney's (2002) powerful critique 'A triumph of faith – a failure of analysis' questioned whether Hofstede's (1980) work is a 'road-bridge or road-block?' (2002: 2). He criticized Hofstede's (1980, 2010) as: well specified or too vague; internally uniform or heterogeneous; identified by valid methods or a product of inappropriate processes; causal at one or all levels; strong, weak, or nil causality; enduring or changing; uniformity or diversity in domain; strong or weak predictive power (McSweeney, 2013: 15). Since McSweeney (2002) published his article, it has invited academic debate on Hofstede's (1980, 2001) national culture and dimensions. Hofstede (2002) himself responded with the article 'Dimensions do not exist: A reply to Brendan McSweeney', in which he stated his points on the survey method, the data validity and welcomed more conceptual dimensions. Both Hofstede (1984; 2001) and the GLOBE project (House et al., 2004) are criticised for simplifying the complex notion of culture, stereotyping nations, ignoring non-cultural factors and choosing a quantitative method to study a multifaceted topic.

To sum up, studies on cultural consequences in management understanding within Western perspectives and non-Western context, have acknowledged the importance of culture in management and organisational studies. In fact, culture has been noted as one of the main influencing factors and substantial literature has been developed on cross-cultural management studies (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015), international business (e.g. Guo, 2015; Shi and Wang, 2011; Venaik and Brewer, 2010) and organisational studies (e.g. Schein, 1985; 2010). In Western texts, there is an opinion that organisations are cultures and this has been explored with qualitative and interpretative perspectives (e.g. Hatch, 1997; Schein, 1985; 2010). Schein (1985) presented the anthropological understanding and proposed three-levels to gain a more detailed analysis on an individual and group's behaviour within an organisational context. However, it does not connect to outside factors such as economic and political

circumstances nor to institutional impacts on an organisation. This problem of excluding cultural consequences from other influencing factors outside of the organisation applies also to Hofstede (1984; 2001) and the GLOBE project (House et al., 2004). Understanding cultural consequences through Hofstede's approach raises indications and their implication in management and leadership in non-Western countries. However, it does not give the explanation of how those dimensions are connected to a local-meaningful context. Consequently, this study is acknowledging that culture is an important aspect in both literature in relation to Western and non-Western contexts. Furthermore, it recognises that previous studies of cultural context at an organisational and national level can provide models and dimensions through qualitative and quantitative research. At the same time, this thesis criticises previous studies for overlooking the influences of non-cultural factors including the economy, politics and national or organisational institutions. Therefore, this study proposes that understanding the cultural consequences alone is insufficient as the impact of institutions including economy, politics and society, should also be considered. The next section explores how institutions impact on management by exploring existing literature on institutional theories and varieties of capitalism.

#### **b. Impacts of formal and informal institutions**

This study recognises that management has various influencing factors, and one is the impact of the formal and informal institutions of a given country. Their impact in a broader institutional framework including legal, political and economic institutions has been mainly developed and tested in Western literature (e.g. Holmes et al., 2013; North, 1991; Scott, 2013). Current literature on institutional aspects has been developed separately. Scholars of institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) have taken a more generalist approach by identifying three main formal institutions of legal, political and economics to create stability in society and the business environment internationally. Aspects



of informal institutions through society and shared-values are explored in institutional theories (Ibid). On the other hand, varieties of capitalism argue that each country can develop their own individual strategy for competitive advantage by improving the efficiency of their local institutions with consideration for their own circumstances (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007).

Furthermore, Lane (2009; 2010) in his work on the former socialist countries' route to globalisation and capitalism argued that the existing conceptual framework for internationalisation together with global capitalism theories does not capture the experience of former socialist economies. Instead, these countries require their own unique approach that reflects their recent political and economic history in order to examine their own varieties of capitalism. In particular, Lane's (2009) study on *the transformation of state socialism* highlighted key points including how post-communist countries have created different economic and institutional developmental stages amongst themselves in terms of world market integration, political regime and societal development. Thus, analysing the impact of institutions in emerging countries, especially debates on how central Asian countries' institutional development differs from their European counterparts, is a complex task. However, in order to acknowledge the importance of institutions for understanding management, this study proposes that all contextual influencing factors should be analysed together rather than separately in order to get a fuller picture in a specific country. Hence, this section combines both views from institutional theories and varieties of capitalism and divides theoretical discussions into three main areas of: influence of political and legal institutions, economic and financial institutions and informal institutions. By combining a generalist approach from institutional theories and a country-specific approach from varieties of capitalism, this study recognises the importance of institutional aspects in creating stability in the business environment while acknowledging the context-specific socio-cultural, political and economic circumstances of Mongolia.

### ***Roles of legal and political institutions on management understanding***

North (1990: 3) defined institutions as ‘humanly devised constraints that shape human behaviour’ and rules and regulations set by people to codify the interaction between societal members. By setting guidelines through authoritative behaviour, formal institutions promote order and stability in society (e.g. Scott, 2013), as well as solving problems (e.g. Tolbert and Zucker, 1999). Certain laws and legislation set by government, fundamental formal institutions and a country’s institutional environment differ from each other by their governing regime, economic ideology, and geopolitical characteristics (e.g. Holmes et al., 2013). However, even though each country differs in terms of political regime, there are common formal institutions that influence the established business environment and are important to managers ‘a) regulatory, b) political, and c) economic institution’ (Holmes et al., 2013: 535).

Regulatory institutions are set by government and play a key role in any domestic or international business operation. Although each country’s code of conduct differs, the common understanding is that government has the ultimate authority in setting a regulatory framework (e.g. Holmes et al., 2013; North, 1991; Scott, 2013). In the context of Mongolia, the local regulatory authorities lost respect from foreign investors after re-introducing the amended foreign investment law in 2011. This resulted in local GDP growth decreasing by 50% and foreign direct investment plummeting by 58% in 2015 compared to 2011. Bekaert, Harvey and Lundblad (2005) noted that the regulation of the activities of foreign companies to own property and land in the host country plays a crucial role in stabilising both economic institutions and society. The issues with land-ownership and mining activities have created tension between the local people and mining companies, and it has become a crucial topic for social researchers, who study contemporary Mongolian society (e.g. Dulam, 2016; Smith, 2012). Similarly, the lack of trust from foreign investors has resulted in slowing the local economy.

Holmes et al. (2013) identified that political institutions play a key role in influencing the local business environment and organisations. The government establishes rules and regulations, and defines the country's political process (e.g. Hillman and Keim, 1995) and how power is distributed amongst political parties (Henisz, 2000). When it comes to a domestic or international firm's business strategy, political uncertainty plays an important role (Henisz and Delios, 2002) and often entering an emerging market requires developing a specific model (Delios and Henisz, 2003). In 1990 Mongolia became a democracy, which permitted multiple parties and elections every four years. However, the current performance of the parliament and its frequent changes in cabinet ministers has resulted in uncertainty in the political and business environment. (see 'Contextual background of the study' for more information). Furthermore, some studies of political activities among Mongolians indicated that Mongolia is ranked highest by their political initiatives and becoming a member of political parties amongst the former Soviet countries (e.g. Dalaibuyan, 2012).

This study recognises the role of local legal and political institutions as one of various contextual influencing factors on understanding management which will be explored further in the empirical studies in the Discussion chapter.

### ***Roles of economic institutions***

Institutional theories identified the economic establishment as one of the three main formal institutions in stabilising the business environment, and argued that by developing monetary and fiscal policies the country had the power to determine organisational performance and management (e.g. Holmes et al., 2013; Lucas, 2003).

Compared to the limited availability of studies on local management approaches, numerous reports and surveys about the Mongolian economy have been produced by local and international financial experts in recent years (e.g. Hornby and Khan, 2016; Kohn, 2016; World Bank, 2014). The economy is predominantly based on mining industries and is

dependent on foreign investment and commodity prices, as well as importing 90% of all consumables from China due to poor manufacturing (National Statistical Office, 2016). Consequently, the economic institutions are challenged in keeping control of the fiscal policies (e.g. Dambadarjaa, 2016). Local economic institutions were still developing up until 2013 by strengthening the relationship with international stock exchanges. Companies' IPOs were offered to the international market for the first time in 2012 (Mongolian Economic Forum, 2014). However, in the last two years, the main effort has been to monitor the national currency, which has fallen to an all-time low, and continue with cost-cutting strategies due to the repayment to the IMF (Kohn, 2016).

In addition to the institutional theories on the role of economic institutions, the studies of comparative capitalism (e.g. Morgan, 2007) and varieties of capitalism (e.g. Friel, 2011; Hall and Soskice, 2001) offer the view of looking at the role of economic institutions with a context-specific approach. The collapse of communism in the 1990s brought a new theoretical approach to comparative capitalism studies, and scholars began to investigate its different forms in emerging countries (Morgan, 2007). He proposed a 'mongrel' model that suggests that institutions should be more flexible within a framework of social consensus on legitimate forms of economic activities (2007: 355).

Comparative capitalism studied institutional structures in different countries, which helped scholars and industry to understand the existing political and social structures of those countries. It enabled them to create strategies based on comparisons of the country's existing institutional framework including industrial sociology (e.g. Dore, 1973; Sorge and Warner, 1986), political economic (e.g. Katzenstein, 1985), economics (e.g. Greif, 2005) and business studies (e.g. Chandler, 1990; Porter, 1990) for a specific market (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). In contrast, 'varieties' of capitalism focusses on selected institutions at a national level and compares their competitive advantage to other capitalist economies (e.g. Grouch and Streeck, 1997; Hall and Soskice, 2001; Whitley, 1999). Varieties of Capitalism (VoC) benefit the country as they create a specific national case by comparing

how and why institutions differ to develop a comprehensive analysis (e.g. Aghion et al., 2005; Deeg and Jackson, 2008).

The VoC approach of investigating the role of economic institutions (e.g. Hall and Soskice, 2001) supports the contextual background of this study. Since Mongolia has a transitional economy, Drahokoupil and Myant's (2015) economic performance framework was adapted in this research to theorise the impact of current economic institutions. Drahokoupil and Myant's (2015) economic performance framework for transitional economies is well-regarded in VoC literature as it extended Hall and Soskice's (2001) approach in linking institutional forms to international competitiveness. It built on economic development literature, particularly focussing on transitional economies by comparing the level of corruption, governance equality and property protection (e.g. De Vaal and Ebben, 2011), and the notion of competitiveness (e.g. Porter, 1990). Drahokoupil and Myant's (2015) study is based on analysing the economic institutions of 12 former socialist countries by comparing each country's performance to the world economy. Furthermore, their study concluded that transitional economies can be divided into five typologies of foreign direct investment-based, peripheral market, oligarchic, clientelistic and remittance-aid-based. These are founded on the degree of integration with state productivity laws, separation of business and politics, degree of private business development, financial system, and other factors including the workforce, industrial base and geopolitical location (Drahokoupil and Myant, 2015: 8).

In addition, Lane (2010) argued that examining the varieties of capitalism in former socialist countries requires a close look at the differences between European and central Asian trajectories in terms of the source of economic development, foreign direct investment (FDI), human development and the level of democracy. Compared to post-communist countries in Europe, economies in central Asia experience greater fluctuations in respect to their formal and informal institutional characteristics and exposure to the world market (Lane, 2010). His study on central Asian trajectories mainly focussed on the former USSR (Union of Soviet Socialist Republic) countries and compared the economic and social welfare data from 'stan'

countries, including Kazakhstan, Uzbekistan, Kyrgyzstan, Tadjikistan and Turkmenistan, to former socialist countries in Europe. Some data for Mongolia with regard to human development, transformation policies and position in the global economy between 2006 and 2008 was included in his study. In Lane's (2010) study, Mongolia scored higher in the areas of the level of democracy and integration into the world market compared to most other former socialist countries in central Asia. However, since 2010, similar to other countries, Mongolia has experienced greater instability in both economic and political development. Thus, the uncertainties of institutional development and the transition from socialism in central Asian countries do require a different treatment from the homogenous approach of globalisation and internationalisation (Lane, 2010). In addition, Lane's (2010: 15) proposed model of 'the hybrid regimes' - a developmental path of promoting political stability through strong leadership or party and economic integration through free market policies may not be the right solution for Mongolia as he admits that each country's societal and cultural framework differs. In the case of Mongolia, the country has its own traditional nomadic heritage, homogenous population and no strong political leader like Putin or Nazarbayev. This notwithstanding, there are certain similarities with regard to the employment profile and societal development between Mongolia and other central Asian countries. This area requires further empirical and conceptual investigation.

Moreover, there are some clear patterns between Drahoukoupil and Myant's (2015) suggested variables to define economic typologies and the Mongolian economic profile, such as the local economy's reliance on foreign direct investment, degree of democratic political system and less favourable geographical location. However, it would be naive to define Mongolia in this way alone without dedicated research into its economy and institutions. Additionally, this research is not aiming to define the local economic or political framework. However, it acknowledges that Drahoukoupil and Myant's (2015) pre-developed and tested independent variables to understand the development of transitional economies and their integration with

other institutional factors gives a strong indication for examining the role of local economic institutions in understanding management in Mongolia.

### ***Roles of informal institution and society***

Scholars of institutional theories suggested that informal institutions shape the formal institutions as they promote stability in society (e.g. Holmes et al., 2013). North (1990) and Scott (2013), believed that informal institutions' main concept is solving problems in society and thus, it is inevitable that their underlying rationale is embedded in society (e.g. Holmes et al., 2013; North, 1990). Similarly, Scott (2013) emphasised the importance of informal institutions that represent the shared meanings and collective understanding of the given society and they further reflect formal institutions directly or indirectly (Scott, 2013). Informal institutions are not documented however, as they are embedded in socio-cultural norms and often shape an individual's social behaviour (e.g. Meyer et al., 2009; North, 1990). Proponents of informal institutions agreed that culture plays a vital role (e.g. Autio and Fu, 2015; Witt and Redding, 2009) by representing shared values, cohesion, and coordination amongst individuals. Furthermore, Holmes et al. (2013) suggested that cultural dimensions and models are useful to determine how a society's informal institutions perceive and react, which can then further improve the dialogue between formal and informal institutions.

Wood and Demirbag (2015) highlighted the importance of examining the relationship between the institutional environment and the dimensions of socio-cultural factors in order to identify the form of capitalism in 'transitional periphery'. With the distinctive and common features of a resource-driven economy, dependency on foreign direct investment for their GDP growth and regional diversities in cultural dynamics, central Asian countries develop their own unique blueprint (e.g. Lane, 2009; Wood and Demirbag, 2015; Wood and Frynas, 2006). One of the common features shared amongst these countries is the intertwining influence of the local culture in formal institutions including the role of personal relationships

in investment decisions and the legal environment (e.g. Demirbag et al., 2015; Nielsen and Riddle, 2009). Similarly, Lane (2010) explained that the main differences between institutions in central Asian countries and their European counterparts is the role of informal institutions. In particular, the influences of culture and societal characteristics in emergent formal institutions are greater in post-socialist countries. Scholars who have researched the ‘transitional periphery’ agree that each country is characterised by a different set of socio-cultural features despite sharing a similar history of having the footprint of socialism (e.g. Lane, 2010; Wood and Demirbag, 2015). Consequently, this makes the studies of these countries and their institutional development even more complex and interesting. In general, international business researchers acknowledge that the roles of informal institutions and socio-cultural aspects are the main influencing factors in determining formal institutions’ strategies (e.g. Nielsen and Riddle, 2009). In the case of Mongolia, identifying the role of informal institutions and examining the correlation between culture and institutions is limited due to the lack of previous studies. To understand the conceptions of management and managerial roles requires interpreting the local culture (section 2.4a) and examining its influence on institutions. However, other socio-cultural factors such as the education system and workforce should be taken into consideration when examining the institutional developments in a specific country.

In contrast, the varieties of capitalism proposed that an individual firm’s strategy can be shaped by formal institutions for developing a competitive advantage through the five spheres of corporate governance, industrial relations, training and education, inter-firm relations/labour law, and employee relations (Friel, 2011: 558). His propositions extended Hall and Soskice’s (2001) study on how institutional advantages compared to the liberal market (LME) and coordinated market economies (CME) by defining how employees’ relations and government intervention differ in each economy. The economic performance of any country depends on how the five spheres complement each other rather than market institutions (Hall and Soskice, 2001). The more coherent the spheres are the better the



performance of the economy. Following Hall and Soskice's (2001) five spheres, Friel (2011) agreed that it is more beneficial to understand how companies deal with the challenges of different institutional contexts rather than generalise on how dominant institutions shape a firm's strategy.

Training and education, employee relations and the workforce are insightful standpoints in both organisational and management contexts. Hence, all aspects of informal institutions will be taken into consideration in understanding management in the context of Mongolia, by combining both views from institutional theories and varieties of capitalism.

To summarise, the influences on understanding management have created two main streams. There are well-established theoretical views on culture as the main influencing factor in organisational and management studies. Hence, culture and its importance in management understanding has been acknowledged in both Western and non-Western contexts (e.g. Jackson, 2013; Tsui, 2004; Watson, 2013a; 2013b). On the other hand, literature on institutional theories and varieties of capitalism provided an alternative view, whether it is from a national or organisational level, and whether it focuses on political, economic or societal influences. In addition, the contextual influencing factors of transition, internationalisation and influences of Western management theories in emerging markets, were explored through the literature on transitional economies (e.g. Drahokoupil and Myant, 2015; Linz and Chu, 2013; Schuster and Holtbrügge, 2012).

Lastly, the above theoretical discussions identified the contextual influencing factors in understanding management in both Western and non-Western contexts. However, the next question to consider is what is applicable or general in non-Western or emerging countries. Debates of convergence and divergence developed extensive studies in relations between the national culture and current economic ideologies in management in non-Western countries (e.g. Brewster, Mayrhofer, and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung, Heung and Wong, 2008). Therefore, the next section discusses the

relationship between cultural consequences and institutional impacts with convergent and divergent perspectives, followed by theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015).

### **c. Relationship between culture and institutions through the convergence-divergence-crossvergence framework**

To answer the main research question of the thesis, literatures on management developed in relation to both Western and non-Western contexts examined along with contextual influences in management understandings. In relation to context-dependency, culture has been acknowledged in both bodies of literature (e.g. Schein, 1985; 2010; Tsui, 2004), and the institutional impact was studied and tested mainly in Western texts (e.g. Friel, 2011; Hall and Soskice, 2001; North, 1990). To examine the institutional impact, including the current economic ideology and influence of internationalisation in non-Western countries, the theoretical debate on convergence began at the beginning of 1950s. It argues that there are increasing similarities between Western and non-Western countries' business and management approaches due to using the same technology, operational strategy and planning (e.g. Galbraith, 1967; Meyer et al., 2009). By contrast, some cross-cultural researchers argued that the deeply-embedded values of national culture, values and norms which differ in each non-western country, are unlikely to converge with Western values (e.g. Hofstede, 1984; 2001; House et al., 2004; Ralston et al. 1997; 2007). Hence, researchers from international business and cross-cultural management have debated the understanding of the diverse value systems in multi-national operations in non-Western countries in the last few decades (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Kerr, 1983; Ralston et al., 1997; 2008; 2015). The primary concern of these debates has always been to create a universal approach to understanding management in the ever-growing global presence of international companies from the perspective of the business environment, which

is becoming borderless and united (e.g. Björkman and Lervik, 2007; Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Chatman and Jehn, 1994), and identify whether its influence on managerial values and roles may become identical. The divergent approach argues that national culture plays an integral role in shaping values towards behaviour regardless of the economic ideology of the country (e.g. Guo, 2015; Ricks, Toyne and Martinez, 1990; Paik, Chow and Vance, 2011; Witt and Redding, 2009). Proponents of the divergent approach argue that non-Western countries remain unchanging towards their cultural values despite adopting western managerial practices (e.g. Guo, 2015; Paik, Chow and Vance 2011; Shaw, Fisher and Randolph, 1991; Puffer et al., 1994).

The debates between convergence and divergence topics support this study which is to examine which cultural aspects influence management understanding in Mongolia, and investigate to what extent local practitioners are influenced by the current economic and political institutions. Moreover, discussions on convergence and divergence extend the crossvergence framework adopted from Ralston et al. (1997; 2008; 2015) to theorise the main contextual influencing factors.

Convergence argues that people' values, behaviour and practices are becoming similar due to Western dominance in terms of technological development, industrialisation and internationalisation of businesses (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000). Aïssaoui and Fabian (2015), Hills and Atkins (2013) and Webber (1969) considered that convergence is a value defined by current economic ideology, and advocates agree that when a nation becomes industrialised it changes behavioural values. Convergence often meant adopting the ideological values of Western capitalist economies (e.g. Kelley, Macnab and Worthley, 2006; Webber, 1969) and developing countries were expected to follow their management techniques (e.g. Yip, Loewe and Yoshino, 1992).

By contrast, the divergent approach argues that national culture plays an integral role in shaping behavioural values regardless of the economic ideology (e.g. Lincoln, Olson and Hanada, 1978; Ricks, Toyne and Martinez, 1990). Proponents argue that non-Western countries remain constant to their cultural values despite increasing Western business and management influences (e.g. Puffer et al., 1994; Shaw, Fisher and Randolph, 1991). Furthermore, divergence suggests that sociocultural values underpin understandings of management and argues traditional values remain stronger than modern influences (e.g. Leung, Heung and Wong, 2008; Smith, Bond and Kagitcibasi, 2006).

Convergence and divergence debates extended the field of cross cultural management literature by researchers conducting studies in emerging and transitional economies (e.g. Budhwar and Bhatnagar, 2008; Linz and Chu, 2013; Malik and Rowley, 2015; Rowley and Cooke, 2014). Studies in transition economies explored the impact of the Western management approach amongst practitioners in former Soviet countries and found increasing convergent evidence amongst younger managers. Linz and Chu's (2013) study explored the perception of work ethics among 340 employees in Armenia, Azerbaijan, and Russia. They noted that the younger generation tend to have a more Protestant Work Ethic (PWE), which refers to individual gain and achievement through hard work (e.g. Furnham et al., 2005; Wyld and Jones, 1997) compared to the older socialist trained generation. Moreover, the studies of Schuster and Holtbrügge (2012) and Simanis, Hart and Duke (2008) indicated that foreign direct investment (FDI) and the expansion of multinational companies (MNC) are the main factors for the impact of convergence. Schuster and Holtbrügge (2012) developed an 'international process model', which argued that the influences of convergence extend beyond business and management as multinational companies take into account the local socio-economic, infrastructural and educational conditions before entry into a new market. Consequently, their presence has both a direct and indirect influence on the local socio-economic and political circumstances due to investment and employment (e.g. Holtbrügge, 2011; Webb, Ketchen and Ireland, 2010).

By contrast, advocates of the divergent theory argued that socio-cultural values and cultural differences are non-convergent and remain in management methods regardless of the influence of international business (e.g. Leung, Heung and Wong, 2008; Ralston et al., 1997; 2008; 2015). Furthermore, indigenous management theories support divergent issues by arguing that a deep rooted cultural ethos and locally meaningful constructs are core elements in non-Western countries (e.g. Jackson, 2013; Minbaeva and Muratkbekova-Touron, 2013; Tsui, 2004). However, there are limited theoretical and empirical discussions to acknowledge the divergent views in indigenous management literature, or how the theories differ from divergent debates.

Moving on from convergent and divergent debates, cross-cultural management scholars proposed the bridging model of crossvergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Huang et al., 2015; Ralston et al., 1997; 2008; Robertson, 1995). Crossvergence is a new value system (Ralston et al., 2008; 2015) which examined current business and economic trends within the existing socio-cultural values with the recognition of cultural dynamism (Kelley, Macnab and Worthley, 2006). Similarly, some researchers argue that internationalisation brings the new mechanism of adapting both global and local values and creates a model of 'glocalisation' (Huang et al., 2015). Although, scholars recognise the difference between dominant Western influences and the persistence of the local cultural value in non-Western management by proposing more internationally-applicable models such as *glocalisation* (Huang et al., 2015) or *crossvergence* (Ralston et al., 2008; 2015), the debate about what is general, what is applicable and what is universally-applicable remains a controversial topic. Theories of crossvergence perspectives are highly recognised by cross-cultural management scholars and have been used to examine corporate social responsibility in developing countries (e.g. Jamali and Neville, 2011), organisational phenomena, including cross-national differences in values (e.g. Jenner et al., 2008) or sharing knowledge (e.g. Sarala and Vaara, 2010). Furthermore, international human resource management studies refer to a convergence-divergence-crossvergence perspective to examine cross-cultural

differences in emerging and transitional economies (e.g. Al Ariss and Sidani, 2016; Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Fang, 2005). Scholars tend to agree with the underpinning argument of a crossvergence perspective, which examines the level of convergence of existing business ideologies and divergence of local culture in non-Western countries (e.g. Al Ariss and Sidani, 2016; Jamali and Neville, 2011). Some argue that more context-specific studies are needed to examine the complex issues and under-researched regional context (e.g. Guo, 2015) and the need for developing an integrative framework to understand the context-specific issues of each country (e.g. Budhwar, Varma and Patel, 2016). Suggestions were made for developing a multilevel framework to analyse crossvergence in *macro* (country level) and *meso* (generation or sub-culture level) by Ralston et al. (2015) and Kwon, Farndale and Park (2016) added the *micro* (organisational level).

The crossvergence theory bridges the influence of local culture and institutions by acknowledging the impact of current economic ideologies with recognition of the local socio-cultural values in understanding management in emerging nations (e.g. Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). However, this study recognises that the influence of a previous economic ideology and current local political and legal institutions are under-examined in Ralston et al.'s (1997; 2008; 2015) crossvergent approach. Theories of crossvergence refer to current economic ideologies in relation to convergence and the influence of the national culture to divergence. His latest studies of corporate social responsibilities across BRIC countries extended the local cultural influence to socio-cultural values by addressing the cross-cultural differences in national attitudes across four countries at macro and meso levels (Ralston et al., 2015). However, investigating such complex issues among different generations in Brazil, Russia, India and China had the limitations of overlooking regional differences and identifying non-cultural factors.

This research acknowledges the importance of convergence with current economic ideologies and divergence from local socio-cultural values by adapting Ralston et al. (1997; 2008; 2015) crossvergence approach for understanding management in a specific context. At the same

time, this thesis recognises the limitations of the theories of crossvergence for investigating complex topics with quantitative methods, and making generalisations by under-examining aspects of regional differences, deeper assumptions, and previous economic and political influences. The study background indicated the complexity of this research as Mongolia has not been included in the cross-cultural management studies of Culture's Consequences (Hofstede, 1984; 2001) the GLOBE project (House et al., 2004), or transitional economies (e.g. Drahokoupil and Myant, 2015; Linz and Chu, 2013). Moreover, the country's socio-economic and political background (see 'Contextual background of the study' in chapter one) requires this study to recognise the previous economic ideology, as well as the current economic condition of the Mongolian business environment. Thus, this study examines the impact of previous and current economic ideologies in conjunction with local political and cultural influences in local management understanding.

## **2.5 Summary of literature review**

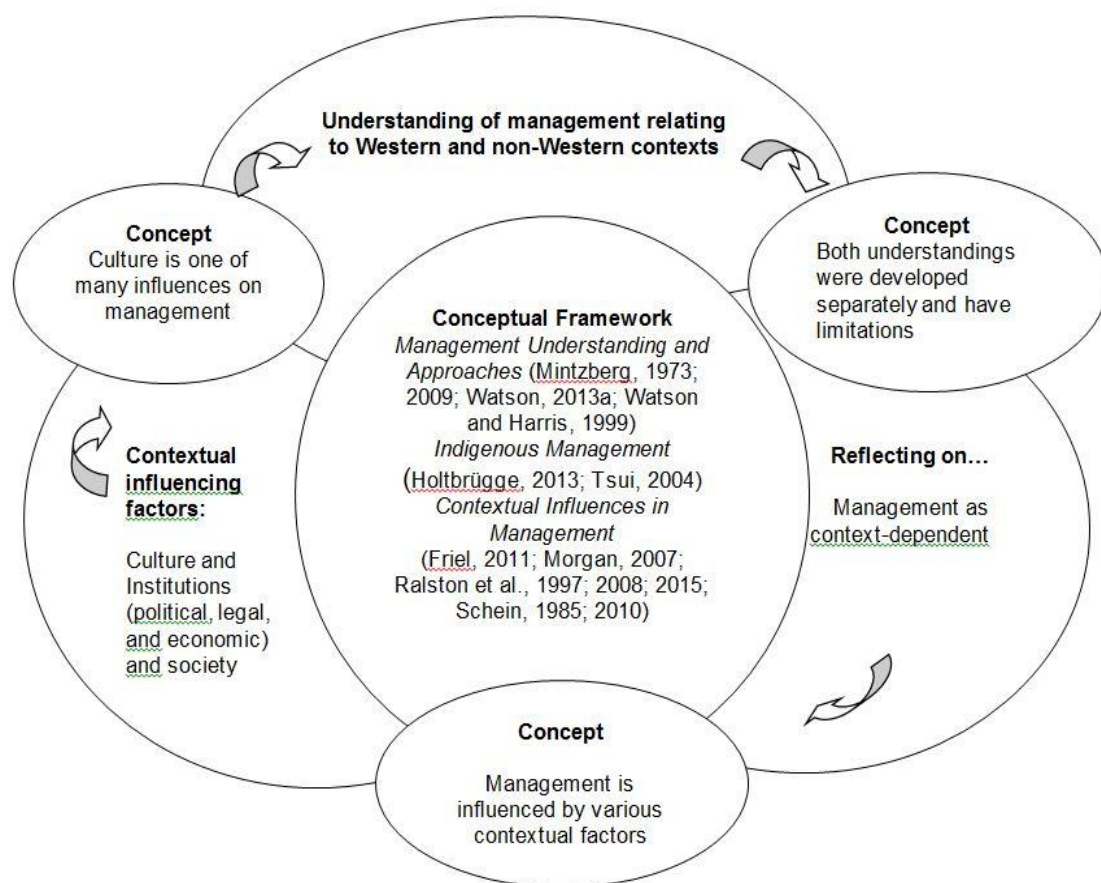
This chapter aimed to provide the conceptual framework to support the research investigation of this study by providing critical reviews on existing bodies of knowledge on management studies and their contextual influencing factors in management understanding.

The figure below offers a graphical illustration of the conceptual framework and demonstrates how this study arrived at the final selection for constructing it through critical reviews on key concepts of each literature. Understandings of management in a Western context were explored through examining qualitative ethnographic studies of management, a manager and managerial roles (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999), and understandings in non-Western context through the literature on indigenous management (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004).

Following the understandings of how management developed in relation to Western and non-Western contexts, contextual influencing factors in management were examined with

perspectives of cultural consequences (e.g. Schein, 1985; 2010) and institutional impacts (e.g. Drahokoupil and Myant, 2015; Friel, 2011; Linz and Chu, 2013; Morgan, 2007). Debates of convergence and divergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbshire, 2000; Leung, Heung and Wong, 2008), supported the view of identifying key influencing factors in understandings of management in non-Western context, and the theories of crossvergence attempted to combine the influence of culture and institutions (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015).

The figure below also indicates the complex nature of this study and the research question, which could not have been examined by a single theoretical model or pre-developed academic theory.



**Figure 2.1** ‘Conceptual framework to examine management understanding with a focus on the contextual influencing factors’. Adapted: (Trafford and Lesham, 2012: 86)



This chapter explored the theoretical underpinnings which are relevant to the research objectives to build a contextual framework that supports the main research question. Hence, the first section of this chapter explored management, a manager and managerial approaches in Western and non-Western contexts in [2.1]. In relation to the Western understanding, the qualitative and ethnographic research that focuses on the nature of managerial practices (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999) were reviewed. Furthermore, studies of organisational ethnography (e.g. Czarniawska, 2008; Gaggiotti, Kostera and Kryzworzecka, 2016; Johansson, 2012; Śliwa, 2013; Rowe, Turner and Pearson, 2016; Van Maanen, 2011a; Walz, Hoyer and Statler, 2016; Yanow, 2012) were introduced to review the current developments in management and organisational studies with qualitative perspectives, as well as to frame the research approach of the current study. Reviews of organisational ethnography demonstrated the justification for the conceptual framework that draws on the studies of Down (2012), Mintzberg (1973; 2009), Watson (2013a; 2013b), and Watson and Harris (1999).

The emerging body of literature on management studies from a non-Western perspective, indigenous management theories (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004) were introduced in [2.2] and current trends and issues of indigenous management concepts critically evaluated.

Understanding management from both perspectives was summed up in [2.3] to evaluate the benefits and drawbacks of each and justify why this thesis is neither imposing Western-developed approaches, nor exoticising the indigenous management concept in the research investigation. Furthermore, this section raised the idea that the traditional Western understanding of management focusses on function and individual experience (e.g. Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999) and non-Western cultural concepts of context-specific subjects (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004) complement rather than oppose each other. Hence, this research acknowledged both theoretical arguments and adapted the notion of management, manager and nature of

managerial work from Western developed theories (Mintzberg, 1973; 2009) and ethnographic perspectives (Down, 2012; Watson and Harris, 1999) into a broad conceptual framework to theorise the empirical findings with an awareness of the limitations and theoretical gaps. In addition, this study acknowledges the significance of indigenous management studies by adapting the context-specific approach (Tsui, 2004) by proposing to use the native language in the main empirical material collection to interpret local subjects with local language.

There are contradictory opinions within management approaches developed in relation to Western and non-Western contexts in terms of what is specific, what is general and what is internationally-applicable, although both acknowledged that management is context-dependent (e.g. Holtbrügge, 2013; Mintzberg, 1973; 2009; Tsui, 2004; Watson, 2013a; 2013b). Hence, the second main section [2.4] of this chapter explored the contextual influencing factors in order to investigate the main influencing factors in local practitioners' understandings towards the concepts of management, manager and managerial roles. Simultaneously, theoretical reviews attempted to explore the underlying influencing of management from both understandings of Western and non-Western contexts. Various contextual factors have been identified in existing cross-cultural management studies (e.g. Hofstede, 1984; 2001; House et al., 2004; Schein, 1985; 2010), institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) and varieties of capitalism (e.g. Friel, 2011; Drahokoupil and Myant, 2015; Morgan, 2007).

The influence of culture is recognised by both literature in relation to Western and non-Western contexts (e.g. Hofstede, 1984; 2001; House et al., 2004; Minbaeva and Muratbekova-Touron, 2013; Schein, 1985; 2010; Tsui, 2004). Hence, the influence of culture [2.4a] was discussed by adapting Schein's (1985; 2010) 'three-levels of culture' to describe the Western understanding and explored on an organisational level with qualitative and anthropological perspectives (e.g. Geertz, 1973) to examine the underlying basic assumptions of observable behaviour. In relation to non-Western management understanding,

the influence of culture has been mainly explored through studies of cross-cultural management and international business (Hofstede, 1984; 2001; House et al., 2004). Indigenous management theories argue that the concept of understanding management approaches in non-Western countries is to be found in the deep-rooted cultural ethos (e.g. Jackson, 2013; Tsui, 2004). However, there are limited theoretical and empirical discussions on this and its impact on management approaches in existing literature. Hence, culture and cultural dynamics in a non-Western context were investigated through Culture's consequences (e.g. Hofstede 1984; 2001) and the Global Leadership and Organisational Behaviour Effectiveness project (GLOBE) by House et al. (2004). This study discussed the acceptance of the Hofstede approach in comparative studies of international management and also recognised its limitations (e.g. Breidenbach, Nyíri and Nyíri, 2011; McSweeney, 2002; 2013; McSweeney et al., 2009). Moreover, this study acknowledged the existing theoretical discussions on cultural consequences in both Western and non-Western writings. It also criticised both for overlooking the influences of non-cultural factors including the economy, politics and organisational or national institutions. Hence, this research invited conceptual discussions on institutional impacts in understanding Mongolian management.

The section [2.4b] explored the impact of formal and informal institutions by adapting institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013), and varieties of capitalism (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007) to demonstrate the local political, legal and economic influences. It acknowledged the impact of societal development and changes in management approaches. Although, the fundamental argument between institutional theories and varieties of capitalism differ on the macro (national context and central government) and micro (firm and organisation) levels, this study proposed to combine the generalist approach from institutional theories and the country-specific approach from varieties of capitalism to investigate the impact of local institutions. This section was divided into three headings to explore the roles of legal and political, economic and informal institutions and society. Each institutional role was discussed with the relevant theoretical

references adapted from both institutional theories, varieties of capitalism, as well as studies of transitional economies (e.g. Drahokoupil and Myant, 2015). It demonstrated how theoretical arguments of institutional theories and varieties of capitalism complement each other to get a better appreciation of how they influence management understanding at all levels. Therefore, this study acknowledges and adapts both arguments to investigate the impact of local political, economic and social institutions.

In addition, the section on contextual influences on management was summed up by bridging the cultural influences and institutional impacts within the convergence-divergence-crossvergence debate (e.g. Brewster, Mayrhofer, and Cooke, 2015; Ralston et al., 1997; 2008; 2015; Robertson, 1995) in [2.4c]. Extensive discussions on convergent and divergent debates were examined to build a clear understanding of these two complex views (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung, Heung and Wong, 2008), and how they have been extended in the current development of cross-cultural management studies (e.g. Budhwar and Bhatnagar, 2008; Malik and Rowley, 2015; Rowley and Cooke, 2014), to acknowledge their complexities in the context of emerging and transitional economies. Theories of crossvergence were also introduced to bridge the current business and economy-driven convergent topic and local socio-cultural values divergent issues (e.g. Al Ariss and Sidani, 2016; Huang et al., 2015; Ralston et al., 1997; 2008; 2015). By summing up the contextual influencing factors of management understanding with a crossvergence perspective this study acknowledges the importance of both cultural and institutional influences in interpreting local management. However, it is also criticised for referring to convergence by current economic ideology and divergence by local socio-cultural values with quantitative perspectives. Moreover, this study recognises that the influence of a previous economic ideology and current local political and legal institutions are under-examined in Ralston et al. (1997; 2008; 2015) crossvergence approach. Therefore, this research recognises the limitations of the theories of crossvergence, which were developed through quantitative methods by generalising nations and insufficient

examination of regional differences, deeper assumptions, previous economic ideology and political influences. Consequently, this research attempts to extend the theories of crossvergence by examining the interpretation of convergence values with a local institutional impact including previous and current economic ideology, socio-cultural values and politics across management practitioners' perspectives with a qualitative approach in the context of Mongolia. Furthermore, by uncovering the contextual influencing factors in the narratives of local practitioners, this study makes conceptual contributions towards not only the existing indigenous management theories, but also contributes to the literature on cross-cultural management by proposing to investigate the significance of formal and informal institutions.

### 3. CHAPTER THREE: RESEARCH METHODOLOGY

#### 3.1 Introduction

This research aims to build an understanding of management in the Mongolian context by exploring local practitioners' shared views of management, the manager and managerial approaches within the contextual settings of local socio-cultural and institutional changes.

The exploratory nature of this study is investigated through an interpretative approach with ethnographic methods. The empirical material was collected over two years by conducting semi-structured qualitative interviews with thirty-five local managers and taking photographs of practitioners' work places. The aim is to present practitioners' understanding of management through their shared experiences and narratives.

In the last twenty-five years, Mongolia has been attracting attention from international investors due to the rich mineral resources of the country, and there is a growing demand to work with Mongolians and/or there. Therefore, this research is aimed at: (1) Mongolian managers; (2) non-Mongolian personnel, who have managed firms and local staff in Mongolia; and (3) foreign investors and people who are either interested in or engaged in conducting business in Mongolia. Ruling (2005: 180) observed that compared to scholarly publications, popular management is more likely to draw upon the persuasive examples of 'heroic success stories' to convey messages and explore concepts. Therefore, academics not only write for the 'collegial reader' (Ibid: 27) but also for the 'general reader'. As a native Mongolian and regular speaker at Mongolian-related business and investment initiatives, as well as an academic and researcher in the cross-cultural management, I was aware of the expectations from both communities, and keen to conduct a study that has an impact beyond conceptual contributions. Therefore, the main research question of this study outlines as:

*'What is the understanding of management in the Mongolian context?'*

To provide an answer, the following five main objectives were designed for this thesis:

1. To provide an overview of Western literature on what management is;
2. To review existing literature addressing the meaning of management in a non-Western contexts;
3. To build an understanding of management from the perspective of practitioners in the Mongolian context;
4. To identify the key influencing factors on practitioners' understandings of management; and
5. To build an understanding of Mongolian management by expanding the notion of crossvergence.

Following the research question and objectives, the research design is outlined in the following sub-sections to provide justification for the chosen approach and methodology. The next section presents the rationale of choosing the ethnography and how each research method and analysing strategy was arrived at through reviewing and piloting different methods. Furthermore, detailed discussions on sampling, the pilot study, research access, issues with using multiple languages and research ethics are included.

### **3.2 Conducting ethnographic research**

This research is situated in an interpretative paradigm and draws on rich description using ethnographic methods. By interpreting participants' narratives, this study also aims to investigate the key influencing factors on practitioners. Hence, the shared meanings in the participants' narratives and the influences of culture, society and institutions in contemporary Mongolia are investigated with an ethnographic approach.

Ethnographic research allows the researcher to actively participate through observation, discussion, and the collection of documents to discover the shared perceptions (Hammersley and Atkinson, 2007). In general, it can be summed up as:

*“ethnography is an in-depth study over a long period of time for studying people’s behaviour through ‘describing’ (observing), ‘experiencing’ (participating) and ‘interpreting’ (analysing) the object of the observation”*

(Willis and Trondman, 2000: 6).

As ethnography allows the researcher to ‘interpret’ the meanings, functions, and consequences of human actions and institutional practices (Hammersley and Atkinson, 2007), exploring managers’ shared experiences and their implications using this approach seemed appropriate.

‘Ethnography comes from the Greek *ethnos*, meaning people or cultural group, and *graphic*, meaning desirable’ (Glesne, 2011: 17). Using culture as a theoretical framework for studying or describing a group, ethnography’s origin is associated with anthropology and, to some extent, with sociology. Researchers use ethnography to explore the shared meaning within a group or explain behaviour in a given context (Glesne, 2011). The reference of urban ethnography traces back to the Chicago School in the 1920s. Sociologists from the University of Chicago called it ‘fieldwork’ (Tesch, 2013) and encouraged students to study their own communities by applying participant-observation techniques. This became one of the most favoured methods not only in social anthropology, but also in the modern management field.

It is argued by Linstead (1997) that social anthropology is suitable for management studies as a) management is a social process that involves negotiation and construction of meanings to get things done, b) management is embedded in the socio-economic context and affected by a series of internal and external events that influences a group’s behaviour, and c) management involves emotion, power struggle and conflict and hence it can often be observed and



interpreted through ‘interaction’ between the researcher and the organisation or group of people. Furthermore, Linstead (1997) noted that studying an organisation or organisational culture should start with observing managers.

Since Linstead’s (1997) argument, ethnography has developed into one of the main research approaches to study organisations and management in the last two decades (e.g. Brannan, Rowe and Worthington, 2012; Czarniawska, 2008; Gaggiotti, Kostera and Kryzworzek, 2016; Van Maanen, 2011a; Watson, 2011; Yanow and Schwartz-Shea, 2015). Organisational ethnography has become an established field in organisation and management studies and scholars adapted and developed varieties of ethnographic methods in their research (e.g. Brannan, Rowe and Worthington, 2012).

There are several definitions for organisational ethnography. According to Watson (2011: 58), it explores ‘*how the world works*’, and Ybema et al. (2009) suggested that it examines the ordinary and extraordinary aspects of organisation through ‘thick description’ (Geertz, 1973). On the other hand, Locke (2001) noted the importance of *ethnographic craft* in bringing a broad range of disciplines together. Similarly, Yanow and Schwartz-Shea (2015), argued that ethnography examines the complexity of an organisation and beyond.

Some scholars noted that organisational ethnography has gained popularity since the beginning of the 2000s (e.g. Bernard and Bernard, 2012), however, Down (2012) argued that its use in organisational and work places studies became increasingly common in the mid-1990s. There are some classical studies of organisation and organisational cultures by Kunda (1992), or Casey (1995), through unstructured observation. Both explained the influence of a researcher’s personal background in the interpretation through ‘a confessional tale’ (Van Maanen, 2011b) by admitting that they often undergo ‘self-discovery’ during the research process.

There are extensive studies with, intriguing methods, that have developed in exploring various aspects of management and organisations (e.g. Bryman and Bell, 2015; Gaggiotti,

Kostera and Kryzworzeka, 2016; Kostera, 2007). Concurrently, scholars debated and developed more innovative methods such as visual ethnography (Shortt and Warren, 2012), filmmaking and reflexivity (Walz, Hoyer and Statler, 2016), sense making through smell (Śliwa and Riach, 2012), or the concept of imagining (Johansson, 2012).

Rouleau, De Rond and Musca (2014) and colleagues suggested organisational ethnography has welcomed a new turn in its approach by focussing on new forms of organisational phenomena, methodological innovation, and innovative ways of conducting qualitative research in organisational and management studies in recent years. (e.g. Rasche and Chia, 2009; Robinson and Schulz, 2009; Van Maanen, 2011a; Yanow, 2009). Some innovative ways, such as ‘netnographers’, where studies focus on online communities and their experiences (e.g. Robinson and Schulz, 2009), and examining organisation outside traditional office or workplaces have become increasingly popular (e.g. Benoît-Barné and Cooren, 2009; Rowe, Turner and Pearson, 2016).

Moreover, organisational ethnographers argued that ethnography is more than a method as it is a multi-dimensional, holistic and radical engagement which allows imagining and interpreting beyond the organisation and management (e.g. Gaggiotti, Kostera and Kryzworzeka, 2016; Watson, 2012; Yanow, 2012). Researchers highlighted that the application of ethnography is within macro social structure. Hence, studying organisation and management is being involved in the lives of its members in order to understand the real world from a native’s point of view (e.g. Watson, 2011; Yanow, 2012). Therefore, this research adopts an ethnographic approach to investigate the understanding of the concept of management in Mongolia by interpreting participants’ shared views within a socio-cultural and institutional engagement. Additionally, the greater flexibility of collecting empirical material through the researcher’s active involvement in the field, interaction with participants through conversation, interviews and other visual methods supported the main research objectives.

Due to the specific research aim, this study draws a theoretical framework reviewing existing literature on conceptions of management understanding in both Western and non-Western contexts (e.g. Holtbrügge, 2013; Jackson, 2013; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999) and contextual influences (e.g. Friel, 2011; Morgan, 2007; Ralston et al., 1997; 2008; 2015; Schein, 1985; 2010). In particular, the ethnographic studies that focus on the nature of managerial work by Mintzberg (1973; 2009), ‘becoming a manager’ by Watson and Harris (1999) and Watson (2013a; 2013b), and being an entrepreneur by Down (2012) to support the conceptual framework of this study.

### 3.3 Methods

According to Punch (2014: 128) ethnography is an ‘unfolding and evolving sort of study’ that progresses to its depth during fieldwork. Similarly, Atkinson and Hammersely (1994) agreed that there is no specific design for an ethnographic study, because it uses elements of theory and methodology simultaneously and thus it is both a process and product. The process of empirical material collection is essential because it defines the ‘product’ and it can involve several techniques. Punch (2014: 128) described involving several techniques as:

*‘from the point of data collection techniques, ethnography is electric, not structured. Any technique might be used, but fieldwork is always central. An ethnographic fieldwork continuum would range from direct non-participant to participant observation, then ethnographic interviewing with one or more informants, and then to the words of the people themselves (voice of natives).’*

(Punch, 2014: 128)

Furthermore, he agreed that data collection may further be supplemented by anything that gives a ‘fuller picture’ (Punch, 2004: 129) of live data, such as film or audio records,

documents or diaries. It may also use structured and qualitative questionnaires with scaled variables to develop the study process.

Choosing the right method was not a straight forward process in this study and it took a long time to research and analyse the options. The selection progressed as the research question and objectives became more focussed and narrowed. After testing the three alternatives of oral tradition (e.g. Vansina, 1965; 2006), ‘thick description’ (e.g. Geertz, 1973) and methods for indigenous studies (e.g. Blodgett et al., 2011; Jackson, 2013; Waghid, 2001), this study has chosen the mixed methods of semi-structured qualitative interviews (e.g. Brinkman and Kvale, 2015; Denzin and Lincoln, 2008; Glesne, 2011), and photographs (e.g. Czarniawska, 2014; Glesne, 2011; Warren, 2005).

They are discussed below to further clarify why they have been chosen as the most suitable for my research.

The nature of this study is interpretative and examines human perception and behaviour. Therefore, I was inclined towards a qualitative approach from the beginning and tried and tested several research methods in the early stages before deciding which were most appropriate for my main fieldwork.

The first I tried was Vansina’s (1965; 2006) classic method of oral tradition which was developed as a historical methodology study based on his seven years of fieldwork in Africa. The transmission of oral traditions and their preservation depend on the power of memory of previous generations. This is the only way to transfer indigenous knowledge, cultural values, behaviour, rituals and their meaning and is the social process of illiterate people or ancient cultures (Vansina, 1965; 2006). Mongolian culture has a long tradition of being nomadic and has the significance of transferring indigenous knowledge orally. Oral tradition is considered as pioneering ethno-history in historical and anthropological fields. I presented a co-developed paper (Weir, Höpfl and Manalsuren, 2014) on interpreting local phraseology by adapting Vansina’s (1965; 2006) oral tradition to illustrate the nomadic inheritance of

carrying the family name and indigenous knowledge versus material-based inheritance in sedentary societies at the 9<sup>th</sup> Annual Liverpool Ethnography Symposium in August 2014.

Oral tradition has the advantage of going beyond what is said to utilise traditional culture to further understand the local mind-set. However, it has the limitation of a small number of participants due to the nature of the method and limits the capacity of investigating what is currently happening or the future trends in certain fields. Hence, as much as story-telling has to offer in terms of untangling local history and traditions, this method was not considered the most appropriate for this study.

The second research method considered appropriate was thick-description by Geertz (1973). As with story-telling (Vansina, 1965), this goes beyond artefacts and investigates underlying assumptions by interpreting interlacing cultural and behavioural meanings (Geertz, 1973). As mentioned earlier, this research started with a focus on national culture and Geertz's (1973: 15) classic terminology of culture as a 'web of net' or 'culture can be described only by an insider' met the objectives. Although thick-description has a lot to offer and is a key method of ethnographic study, it still has flaws in overestimating the influence of culture on managerial activities. This research needed an opinion from practitioners, who are currently employed in the field as well as the researcher's own. Hence, thick-description was not selected as a primary method for the current research, although it has still been used to explain certain cultural phenomena in the narratives of local managers.

The third research method considered was indigenous study. After a critical review of literature on indigenous management, I argued that the notion of management was under-examined although an attempt has been made to develop specifically designed research methods. Indigenous management researchers agreed that the rich and complex nature of research can only be studied with qualitative perspectives although there are no commonly-accepted methods amongst scholars.

Developing the appropriate research method is one of the most debated agendas with arguments of universal theories and methods often failing to reflect the indigenous management concept (Jackson, 2013; Smith, 1999; Tsui, 2004). Tsui (2004: 501) suggested that an 'indigenous management agenda is a context-specific study... it involves local phenomena using local language, local subjects, and locally meaningful constructs.' She highlighted the importance of insider knowledge and language skills, which can be argued as an extension to thick description by Geertz (1973), who argued that culture can only be interpreted by natives.

Opposing Tsui's (2004) context-specific research method, Smith (1999) argued for 'critical re-reading' of postcolonial and other cultural studies to avoid over-emphasising locally meaningful concepts. Jackson (2013) argued that one single method cannot cover the entire indigenous management studies and suggested researchers use multiple methods in his article of 'Reconstructing indigenusness in African management research'. His suggested research methods have wide variations starting from reflective praxis (Waghid, 2001) and visual ethnography (Pink, 2001) to participating in action research (Bartlett et al., 2007). Jackson (2013) agreed with the complex nature of an indigenous management research agenda and advocated social network analysis (Wasserman and Galaskiewicz, 1994) as it may benefit in evaluating the numerous internal and external influences. However, Jackson (2013) identified that they were only considered in the local business environment and excluded possible institutional and international effects.

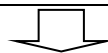
Blodgett et al.'s (2011: 29) participatory action research through co-creating agendas by noting 'what is said and how during interviews' may be worth considering. Jackson (2013: 31) commented that 'the Western researcher often controls the research agenda with their superior knowledge in the academic and professional field.'

After reviewing the selected research methods two broad streams were taken into consideration: a) the nature of indigenous management is qualitative with an aim to construct

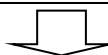
a locally-meaningful agenda, and b) the choice of research methods may differ from study to study as there is no universally-accepted method.

In conclusion, reading research methods on indigenous management study was a lengthy process. However, it was worth comparing previous studies and discovering the pros and cons, as well as their applicability to my own research. Although many research methods have been tried and tested, none was able to capture the aim and objectives of the current research due to reasons of a) this study is not supporting the view that culture is the single influence on managerial work, b) this study aimed to use participants' (local managers) own opinions on how management is understood by local practitioners in Mongolia, and c) I wanted to explore management understanding in relation to their actual experiences in a socio-cultural and institutional context. Hence, I decided on a mixed method approach by using semi-structured qualitative interviews and photos in my study. The table below summarised how I came to this decision. Please note that all described disadvantages and advantages were applicable only to my current study and are based on critical reviews of selected theoretical sources.

Research methods	Advantages	Disadvantages
Oral history (e.g. Vansina, 1965; 2006)	Goes beyond what has been said and mines long tradition and culture of local tradition.	Small number of participants and limits the capacity of investigating what is currently happening.

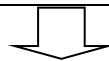


Thick description (e.g. Geertz, 1973)	Goes beyond artefacts and investigates underlying assumptions by interpreting interlocking cultural and behavioural meanings.	Overestimates the influence of culture in managerial activities, and limits participants' opinions.
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Research methods for indigenous study		
Context-specific research	Highlights the importance of	Over-relies on local culture

method (e.g. Tsui, 2004)	local language and subjects to understand local affairs fully.	and ignores other potential influences on management practices.
Critical re-reading (e.g. Smith, 1999)	Benefits from other studies in mainstream social and historical sciences.	Not enough about Mongolia, and limits practitioners' perspectives.
Visual ethnography (e.g. Pink, 2001)	Able to capture what cannot be expressed in words or allows participants to express their feelings and opinions.	Time and field access constraints limit the stories of managers.
Co-creating research agendas (e.g. Blodgett et al., 2011)	Allows creating research agendas by noting 'what is said and how during interviews'.	Limits opportunity to listen to participants' experiences, and interviewer must be experienced to co-create agendas.
Network analysis (e.g. Jackson, 2013)	Notes the role of formal and informal sectors in the local business environment.	Excludes influences of external bodies', such as foreign investment.



<b>Selected methods for this research</b>		
Semi-structured qualitative interviews (Blodgett et al., 2011; Glesne, 2011; Brinkman and Kvale, 2015)	Able to conduct narrative-focused interviews and allow participants to share their experiences.	Lengthy process from conducting interview to interview analysis.
Photographs (e.g. Bell and Davison, 2013; Czarniawska, 2014; Warren, 2005)	Captured certain artefacts in managers' offices and used managers' narratives to describe photos.	Needed 2 <sup>nd</sup> visit to the field to ensure whether photos should be included in the analysis.

**Table 3.1** 'Rationale for evolving research methods'

In agreement with Atkinson and Hammersley (1994) and Punch (2014), who pointed out that the final 'product' (ethnographic record/research or full ethnographic description) depends on



the ‘process’ and highlights the importance of collecting data that supplements the ‘fuller picture’, this study chose to use a) qualitative semi-structured interviews with senior managers, and b) photographs of artefacts that have a personal meaning to individual managers to provide a fuller picture on constructing shared meanings and understanding of local managers.

The great advantage of being flexible with methods was one of the key reasons for choosing ethnography, although there were challenges such as gaining access and being in the field for a prolonged period. The ‘confessional tale’ (Van Maanen, 2011b), which refers to being aware of a researcher’s bias, opinions and flaws that can affect the quality of the final ‘product’ and assessing validity was taken into consideration (Le Compte and Goetz, 1982).

#### **a. Qualitative interviews**

Semi-structured qualitative interviews were used as a main research method in this study. Interviewing offers the opportunity to explore people’s perception, meanings and understanding through face-to-face conversation in a specified context (e.g. Punch, 2014). Much has been written on the topic of conducting a good interview. Minichiello et al., (1990: 89) created ‘The continuum model for interviews’, which divides interview types into structured, focused or semi-structured and non-structured. Structured interviews consist of pre-established questions with limited flexibility to engage with an interviewee’s response (Punch, 2014). Unstructured interviews have open-ended questions and offer greater flexibility in the correspondent’s answers (Fontana and Frey, 1994). Semi-structured or focused interviews allow the researcher to include open-ended questions on certain topics and give flexibility to explore some aspects in more detail or consider unexpected issues that may arise (Glesne, 2011).

I used semi-structured interviews and followed-up with open-ended questions.

In relation to the researcher's participation in the interview process, there are many debates on how much the interviewer should be involved in the interview (e.g. Denzin and Lincoln, 2008; Brinkman and Kvale, 2015). Denzin and Lincoln (2008) stated that the researcher's voice should be 'a passionate participant' and actively involved in constructing the reality of the truth. Brinkman and Kvale (2015) claimed that research interviews are the exchange of opinions between two parties. Similarly, one of the indigenous research methods argued that the researcher is responsible for co-creating a research agenda with the interviewee (e.g. Blodgett et al., 2011). Although there are suggestions of the active involvement of the researcher in the interview process I chose to be a respectful and attentive listener and let the participants share their experiences of being a manager during and after the transition period. I was aware that I would not be able to be the co-creator of a research agenda, nor exchange views so I did not follow Kvale's (2008) method or co-create a research agenda by Blodgett et al. (2011). Instead, I followed the view of the interview was a 'narrative re-production' (Czarniawska, 2014; Mishler, 1991) and emphasised my research participants' experiences of being a manager in Mongolia. Furthermore, the aim of this research is to construct management understanding in the Mongolian context from a practitioners' perspective and it can only be achieved through the active involvement. Moreover, I could not dismiss the importance of my role to keep the participants relaxed and concentrated on the research agenda by redirecting questions during our interviews. Semi-structured interviews allowed me to stay focused by asking relevant questions with an emphasis on the research aims, and to explore the meaning of certain aspects of their managerial activities that arose.

Czarniawska (2014) said that interviews are spontaneously formed narratives, which unfold a chain of events over a certain interval of time and provide a rich account for any subject. Additionally, Mishler (1991: 61) suggested that the importance of 'giving room to speak' to participants to share their elicited narrative should be one of my main concerns. Since the nature of my interviews was an interest in the experiences of research participants, it was very common to hear their stories about their job and how the transition from a socialist

economy to a free market economy had affected their managing role and responsibilities. Thus, I supported Czarniawska's (2014) view that interviews can be a narrative production, special type of observation and an opportunity to make a sense of reality by noting what was happening during the interview. Observing managers during conversation brought additional insights on how managers react and handle the disturbances of answering urgent calls, signing invoices or answering colleagues. Furthermore, interviews with thirty-five local managers allowed me to produce 'narrative re-production' (Czarniawska, 2014) to explore the meaning of management while considering the local socio-cultural and institutional impacts.

### *Access and Sampling*

Gaining access for fieldwork is a process that can take a considerable amount of time and personal commitment to build trust with the participants and therefore ethnographic researchers need to plan for this at an early stage of their research (Glesne, 2011). My research access to the field was established before conducting my PhD. My personal experience of living and studying in different countries, professional experience of teaching cross-cultural management, being a board member of the British Mongolian Trade Council since 2011 and involved in business and investment events in both the United Kingdom and Mongolia gave me an opportunity to sample my research participants. I often speak about 'soft-assets' at business events and have informal conversations with business practitioners about the challenges of running a business or management issues in Mongolia. Many of them have become friends over the years, keeping in touch via LinkedIn or email, and they are always happy to discuss their business issues with me. Having a relaxed discussion with people, who have a similar-interest at a social or business gathering was described as 'logging time' by Glesne (2011: 54) and was identified as the best method to gain trust with potential research participants.

My first approach was in October 2013 by sending informal and personal emails to express my interest in meeting during their visit to London for the Investment Summit in December 2013. All of them agreed to meet me and answer my questions. It was preparation for my pilot study for which I had fifteen very loosely-structured questions. Before conducting the pilot study, all participants were informed that their personal details would be kept anonymous following Beynon's (2008) caution of giving a guarantee of anonymity can elicit more information during an interview. I was always open to all my personal and professional network about my research idea of constructing a 'black and white' picture about management practices in Mongolia. My clarification and openness was explained by Glesne (2011) as the importance of gaining access and trust by being open about the research and what participants or an organisation might gain from it. My research idea was welcomed by both the business community and practitioners, who are already conducting business in Mongolia or intending to do so.

Miles, Huberman and Saldana (2013) noted there are no simple strategies for sampling in qualitative research as it uses 'purposive' rather than 'probability' sampling. Purposive sampling reflects the research aims and questions to guide the study design, internal consistency and coherent logic (Punch, 2014). This research seeks to understand how management is understood from a practitioners' perspective and so it was imperative to select people, who have been a manager in Mongolia. My experience of speaking about cross-cultural issues and conducting training at business events helped me to select my potential participants from my professional contacts. As the business community became aware of my research area people contacted me to express their interest in participating. They identified certain issues that they wished to be explored further, and shared their personal challenges or introduced me to someone, who would be a better candidate. I met with senior managers in both the private and public sectors and made informal agreements to interview them during my main fieldwork in the summer of 2014 in Ulaanbaatar. I identified eight managers before conducting my main fieldwork and agreed to start my empirical material collection with

them. As a Mongolian, I knew that the best strategy for meeting people is to be in Mongolia physically and meet in person rather than confirming appointments by email. Therefore, I bought a Mongolian local phone number while I was in the UK and emailed this to my potential participants saying that I would call them once I arrived. My personal meeting strategy proved correct and I collected 35 in-depth interviews with local managers between May and August 2014 and follow-up interviews with a selected ten participants between July and August in 2015.

Throughout the study 35 senior managers, including 16 CEOs and 19 mid to upper level managers representing 32 different firms, shared their experiences of being a manager and perspectives on effective management including the key influencing factors on their daily responsibilities. Photographs of office artefacts were taken to represent the influence of traditional culture and beliefs and Mongolian managers were invited to share their significance.

Initially, the purpose of interviewing non-Mongolian managers was to get additional insight into how management is understood in Mongolia and their opinion of their local colleagues' methods. However, after talking to them I realised that they could be one of the main contributors and my initial idea expanded into taking an in-depth interview with nine non-Mongolian managers. They have lived and worked in Mongolia for between three and twelve years (on average seven years) and are classified as 'local managing practitioners'.

The table below illustrates participants' sampling in more detail.

<b>Managers in Mongolia</b>			<b>Socialist-era (12)</b>	<b>Transitional -era (14)</b>	<b>Non- Mongolian (9)</b>
<b>Four main criteria</b>	<b>Temporal</b>	<i>Age</i>	45-60	30-45	30-60
		<i>Start of managing experience</i>	Prior 1990	After 1990	n/a
		<i>Number of years of work experience (* in Mongolia for non-natives)</i>	Between 18 and 35 years (average 21 years)	Between 3 and 19 years (average 9 years)	Between 3 and 12 years (average 7 years)
	<b>Education and Training</b>	<i>University (Mongolia or Abroad)</i>	<ul style="list-style-type: none"> <li>• Former socialist countries 10</li> <li>• Mongolia 2</li> </ul>	<ul style="list-style-type: none"> <li>• Overseas 10</li> <li>• Mongolia</li> <li>• Other 1</li> </ul>	<ul style="list-style-type: none"> <li>• University 5</li> <li>• Other 4</li> </ul>
		<i>Degrees (Technical or Business)</i>	<ul style="list-style-type: none"> <li>• Technical 9</li> <li>• Other 3</li> </ul>	<ul style="list-style-type: none"> <li>• Technical 4</li> <li>• Business 10</li> </ul>	<ul style="list-style-type: none"> <li>• Business 5</li> <li>• Other 4</li> </ul>
		<i>On the job training</i>	n/a	n/a	<ul style="list-style-type: none"> <li>• Apprentice 4</li> </ul>
		<i>Management training (after university)</i>	<ul style="list-style-type: none"> <li>• Yes 2</li> <li>• No 10</li> </ul>	<ul style="list-style-type: none"> <li>• Yes 12</li> <li>• No 2</li> </ul>	<ul style="list-style-type: none"> <li>• Yes 9</li> </ul>
	<b>Current working sector</b>	<i>Public or private</i>	<ul style="list-style-type: none"> <li>• Public 5</li> <li>• Private 7</li> </ul>	<ul style="list-style-type: none"> <li>• Public 4</li> <li>• Private 10</li> </ul>	<ul style="list-style-type: none"> <li>• Public 0</li> <li>• Private 9</li> </ul>
	<b>Involvement with Social and Political activities</b>	<i>Member of political party</i>	<ul style="list-style-type: none"> <li>• Yes 10</li> <li>• No 2</li> </ul>	<ul style="list-style-type: none"> <li>• Yes 8</li> <li>• No 6</li> </ul>	<ul style="list-style-type: none"> <li>• No 7</li> <li>• N/A 2</li> </ul>
		<i>Voluntary posts</i>	<ul style="list-style-type: none"> <li>• Yes 12</li> </ul>	<ul style="list-style-type: none"> <li>• Yes 1</li> <li>• No 2</li> </ul>	<ul style="list-style-type: none"> <li>• Yes 4</li> <li>• No 5</li> </ul>

**Table 3.2** 'Sampling- Three groups of managers in Mongolia'

All the study participants were divided into three distinctive groups due to their personal and professional background. The main criteria used to divide them was: a) temporal, where age and commencement of managing experience differed, b) qualification, how and where managers studied and trained, c) geographical, managers' country of origin and nationality, and d) the participant's personal definition of management. Using these four main criteria, management practitioners divided into:

a) The first group of managers, who defined themselves as a 'product of Socialism' or 'red-socialist managers' were trained and had experience prior to 1991, when Mongolia was a socialist country. Those who were included in this group tended to be older than their post-socialist' colleagues. However, it is difficult to set an exact age criterion for them as university graduates at the beginning of the 90s were still taught the same curriculum as before transition. Thus, people in their mid to late 40s still had a strong influence from the self-defined 'product of Socialism' managers. Therefore, this group tended to be aged mid 40s upwards and trained primarily in former Socialist countries, mainly Russia, Bulgaria, Poland and the Czech Republic. The paramount reason for studying in these countries was to promote brotherhood relations between socialist countries and learn to construct socialism from their best practices.

b) The second group is 'transitional-era' managers, whose training and work experience was after the socialist period. They perceive their profession as 'people of business' and tend to be younger than the first cohort of managers. Many of them were educated abroad and they studied business and management degrees at university compared to 'socialist-era' managers, who held mainly technical related degrees. They were more likely to attend management related training and workshops, and generally worked in the private sector.

c) The third group identified as local practitioners, are non-native managers, who have settled in Mongolia by choice since 2003 (the earliest in this study) and manage local staff. They were not divided by their age or previous work experience as the only criteria used was

geographical. ‘Non-native’ managers defined themselves as ‘people and business developers’ and have worked for international or local companies for a minimum of three years. Their shared views are presented as ‘non-Mongolian’ or foreign rather than specifying their nationality as this study highlights their experience of working with Mongolians and managing their business in Mongolia as opposed to individual views.

### ***My role during the interviews***

I played three roles during the interviews and the first was as a researcher in relation to my study objectives. Glesne (2011) claimed that the first role in the field is to be a researcher, who acts and behaves like one and to be aware of philosophical perspectives, identities of participants and one’s own values and personality. As most of my participants knew or had heard about me as a management consultant challenged me as a researcher. They often asked my opinion or wanted advice on their challenges of dealing with their staff or the process of negotiation. I experienced conflict between the position of the ‘researcher’, who is investigating management practices in Mongolia, and the ‘management consultant’ or ‘university lecturer’, who already had experience of management issues. Coffey (1999) considered that researchers inevitably negotiate their role and identify as they go and balance out their roles. I steered my role by asking questions about why managers face certain problems and how they deal with them which turned the challenge of being assumed as a ‘management consultant’ into an opportunity to investigate the research agenda.

My second role was as ‘a learner’ as identified by Glesne (2011) that the researcher’s perspective should reflect on all aspects of the research procedures and findings, and be curious to learn more from participants. As I have never worked for a Mongolian company



for a prolonged period the role of learner suited me well and I was an attentive listener not only during the interviews, but during the entire fieldwork.

The third role was as ‘the observer’ as described by Czarniawska’s (2014) ‘observant participation’, which allows the researcher to have the parallel roles of interviewer and observer at the same time. I was aware of my participants’ emotions and reactions during the interview questions and played anticipatory and therapeutic roles when necessary. There were occasions when I shared my perspectives in response to participants’ emotional expressions or experiences during the interviews. The therapeutic role is explained by Glesne (2011) as ‘ethnographic interviews require an awareness of feelings and emotions to learn the respondent’s beliefs and experiences’.

Additionally, I observed the surrounding environment during the interviews. Most were held at the managers’ workplace and it was an opportunity to observe the distractions we had during the interview and how managers reacted to them. It also allowed me to take note of the artefacts that they had and ask about the meaning of certain objects. It was a surprise to discover that most of them had a great deal of personal and professional significance. I have decided to include photographs of selected ones in my thesis to demonstrate how they influence practitioners’ understanding in relation to management as a notion, manager as a person and managerial roles as an activity.

### ***The interview questions***

The interviews with local managers started with an ethical consent form, a brief introduction about the research, followed by an informal conversation about their personal and professional experiences in managing. Participants were asked to decide for themselves the most convenient time and location and the majority invited me to their office during work hours. This enabled me to observe their work environment and artefacts. After a few minutes

of conversation, I moved on to ten prepared and five follow-up questions. Most interviews were scheduled a few days in advance, however there were last minute cancellations or postponements and requests to come to their office within an hour. The duration of the interviews ranged from 47 to 153 minutes (average 97 minutes).

The research questions of my study were loosely formulated before the fieldwork and followed the contextual framework of this study. However, as I was aware of the complexity of the study I allowed new research agendas to emerge during the fieldwork.

I followed Patton's (2002) guide on formulating qualitative interview question methods, that emphasised experience and behaviour, opinion and values, feeling and sensory, knowledge, background and demographics. The interviews started with demographic questions to explore whether participants had any experience of being a manager during socialism or had studied or worked abroad. I followed up by asking about their experiences and opinions about the difference of being a manager in the past and present. I then moved to behaviour questions to discover their method of managing and ended with enquiries about their perception of future management practices, the workforce and business environment in Mongolia. All general questions were followed by 'presupposition questions', as described by Patton (2002: 369). He suggested that their value lies in allowing the participant to say something within their own time and space without persuasion and may bring valuable insight to the research.

The nature of the interview was narrative and relied on participants' experiences. It was common for managers to tell stories of how their organisations managed during socialism or what they had learnt from their upbringing in the countryside or education abroad. Most interviews were conducted in Mongolian with local managers, although the fact that a few younger managers, who had studied and worked abroad, preferred speaking English was a surprise. I had no problem conducting interviews in either language. Interviews with expat managers were conducted in English. It was common for certain phrases and expressions in

Russian to be used by older managers, who had been educated in former Soviet countries, and my experience of living in Russia enabled me to understand them without any problem.

## **b. Photographs**

The idea of including photos of their offices and certain artefacts in the analysis section of my thesis occurred during the fieldwork in the summer of 2014 and was assured after my second visit in the summer of 2015. While I was interviewing managers I noticed that their rooms were beautifully decorated with a display of objects. There were common objects of a sculpture of a horse or a painting of a landscape or a fiddle with a horse's head (known as *morin huur* – a traditional Mongolian bowed string music instrument) with a blue silk string attached. I was curious to know what these meant to managers and asked informal questions about them. Surprisingly, I found that they have more than a personal meaning to their owners, and that they influence their way of managing to a certain extent. Hence, I have decided to include selected photographs of artefacts to discuss their meaning to individual managers in the analysis section of my thesis.

The use of photographs was identified as a research tool in social sciences in the 19<sup>th</sup> century, when anthropologists used them to distinguish different groups and people during their fieldwork (Glesne, 2011). Technological advancement and the increased use of digital cameras has become increasingly popular amongst qualitative researchers to capture participants' expressions, documents and artefacts during fieldwork (Ibid). Collier and Collier (1986) argued that modern people are poor observers and the use of technology enables seeing things in details. Photographs are used with a variety of purposes and approach, such as asking participants to take photos to express their perspectives or feelings (e.g. Warren, 2005), collaboratively creating visual data with participants (Mitchell and Allnut, 2008), or current documents and artefacts (Glesne, 2011).

Since 2000, the use of visual materials in organisation and management studies by researchers has been increasing (e.g. Bell and Davison, 2013; Carr and Hancock, 2003; Hancock, 2005; Shortt and Warren, 2012; Warren, 2005). Researchers can interpret the symbols, perceptions and rationale dimension of organising by using aesthetics in organisational studies (Bell and Davison, 2013). Similarly, Kavanagh (2004: 448) argued that visual methods enable researchers to focus on the dynamics of management, which opposes the traditional understanding of 'being static'. In contrast, there are some researchers who question their credibility in management studies, and highlight the demand for developing an appropriate method of transferring visuals into coherent argument (e.g. Pink, 2002; Rose, 2007). Nevertheless, advocates methods support the argument that contemporary organisation and management studies should use more aesthetics approaches including the use of imagery, video footage, and films to reveal how meaning is created through visual orientation (e.g. Bell and Davison, 2013; Rose, 2007). Furthermore, Bell and Davison (2013: 179) highlighted that linguistic and visual data should not be treated in binary opposition but should be combined to create multimodal research.

Following Bell and Davison's (2013) suggestion this study has used photographs of certain objects displayed in the participants' offices, but they have not been used as the main empirical material. Instead, they are used as part of the narrative interviews with managers, who have explained their symbolic and spiritual meaning by telling stories related to the specific item. The use of photography is supported by Glesne's (2011) view that artefacts as material objects represent the culture of the people being studied. Considering what the object or symbol is made of and its meaning to the owner may open a creative angle in the research process, as artefacts appear as 'stuff' to outsiders and 'stories or symbols' to insiders (Ibid). With the theoretical support of Bell and Davison's (2013) concept in visual materials, this study aims to investigate the correlation between the aesthetic material (portrait, painting, sculpture or calligraphy) in the office and the owner's (manager) narratives.

### 3.4 Assessing validity and reliability

Assessment of the quality of qualitative research has been considered as unsatisfactory compared to quantitative research amongst scholars. Smith, Flowers and Larkin (2009) argued that examining qualitative research in the same way as quantitative research by using a simple checklist can be a blind approach. Qualitative research is interpretative and its epistemological position sits in shared meaning through social interaction. Similarly, Denzin and Lincoln (2008) agreed by noting that only qualitative data can provide the deep insights into human behaviour, observed and interacted, thoughts and feelings and thus there is no need for comparison to quantitative data.

Reliability is the central concept of measurement that requires consistency during the research (Punch, 2014). The nature of ethnography requires the researcher to spend a prolonged time in the field to establish a close relationship with participants, and create research agendas. During fieldwork the measurement of reliability and being consistent is often an issue for criticism. Le Compte and Goetz (1982) suggested five aspects of reliability for ethnographers: the researcher's status and position, the choice of participants, the socio-cultural context where data is collected, the identification of assumptions and theories that are used to construct the study, and the methods of data collection and analysis. They and Yardley (2000) argued that reliability may weaken the credibility of ethnographic work, however validity is the major strength due to the way data is collected and analysed.

Yardley (2000) presents four broad principles of validity and quality of qualitative research:

a) sensitivity to context – the researcher establishes sensitivity to their study at an early stage by choosing where data will be collected and engaging with gate-keepers. Also, sensitivity to context can be demonstrated through an appreciation of the interactional nature of data collection within an interview situation (Smith, Flowers and Larkin, 2009);

b) commitment and rigour – that requires the researcher to invest a considerable amount of time and personal commitment to preparing the field, establishing a good relationship with

participants, and ensuring candidates feel comfortable during the interview process (Yardley, 2000). Rigour refers to the thoroughness of the study by preparing sample questions, the quality of the interview and completeness of the analysis undertaken.

c) transparency and coherence – by ensuring a clear report on the process of interview stages during the research. Coherence refers to the balance between the rich data collection and theoretical assumptions of the approach being implemented (Yardley, 2000). In other words, it is presenting a coherent argument through carefully-crafted writing to demonstrate good quality work.

c) impact and importance – this probably fits the most with an ethnographic work, which is dedicated to discovering the reality and shared meanings of a given phenomenon and inform the reader of the richer insight of the research subject that may have a potential practical or theoretical impact to a specific wider society depending on the nature of the research itself (Yardley, 2000).

In this research, reliability was ensured by consistent data collection throughout the fieldwork in Mongolia in 2014 and follow-up interviews were conducted and photos collected in 2015. Due to privileged access through my personal and professional links, gaining access to local senior business executives was relatively simple. This resulted in consistent empirical material collection through arranging interviews and informal discussions with study participants.

As far as validity is concerned, the first principle of sensitivity to context was established at a very early stage. My personal and professional interest in cross-cultural management engaged me in business activities between the United Kingdom and Mongolia and an interest in the understanding of local managers' attitude towards business and management relations was generated. At the same time, my interaction with practitioners was not something established during the interviews as I had been conversing with and observing them at many business and political events.

The second principle addressed by (Yardley, 2000) to ensure validity and quality in qualitative research is commitment and rigour. That has been taken seriously in this research by not only spending a considerable amount of time establishing contacts, but also conducting a pilot study to define the interview questions with six Mongolian senior executives between December 2013 and April 2014. The pilot study helped immensely in refining the research and interview questions as it enabled me to improve my interviewing skills and hold a conversation as a researcher rather than as a business consultant. The pilot study and informal discussions also supported the rigour of the research through appropriate questioning, a good quality of interview and selecting the participants for the main empirical material collection.

The third quality principle identified by (Yardley, 2000) is transparency and coherence of the study. This was ensured by describing the stages of data collection in the write-up and giving detailed accounts for selecting participants for the interviews, interview stages, transcriptions, and photos. Apart from providing all data collection methods, I relied most on pen and paper by making notes of the surrounding environment and my own thoughts and feelings during the fieldwork. When it comes to coherent argument, data analysis and underlying theoretical assumptions play an integral role. Hence, this study is claiming to be an ethnographic study within interpretivist paradigm with inherent interpretative activity nuanced in the write-up by the participants' experiences in their own words.

The final principle of ensuring quality is the impact and importance of the study (Yardley, 2000). Being a qualitative work it allowed me to explore and investigate the behaviour, feelings, thoughts and objectives of local managers in Mongolia, to contribute to the theories of cross-cultural management and international business. It also has a pragmatic implication by providing a practical guide and understanding about the local work environment in Mongolia.

### 3.5 The pilot study

The main empirical material collection for my study was going to involve interviews with Mongolian managers. I decided to conduct the pilot study when some of them came to England to attend business meetings and an investment summit. As a board member of the British Mongolian Business Council in the UK I had an advantage for accessing potential participants.

Following my ethical approval from the university, the first semi-structured interviews with two Mongolian managers took place in London in December 2013. Four more interviews with three managers and one government officer were conducted during the Investment Mongolia 2014 Summit in London. At the same event, I facilitated a workshop titled ‘What will foreign investors expect of you and how could you ensure you satisfy their demands?’. This was to address the ‘soft’ issues of understanding investors with a specific case study from a Canadian-Mongolian company. These opportunities helped introduce me to practitioners, to discuss my research and most importantly to get their feedback. The response was very positive and a consultant from PwC said,

*‘Much needed timely research, especially as we are opening our branch in Mongolia, and many more British companies will follow us’*

(Non-Mongolian manager, Private sector, F, 18 years of experience)

From the initial feedback and the pilot interviews I understood that my interview questions were still too broad, so systematic analysis was necessary to organize the material into thematic categories first and then work on data reduction via a process that stemmed from a serial to a parallel classification (Baptiste, 2001).

I transcribed the first few interviews and read them repeatedly to find out how to make the questions more focused and academically rigorous. The pilot study and analysis took time because I was looking for the right methodology, one that would fit the research question and



be suitable for analysing raw data. Finally, I modified the purpose of the research, changed the interview questions and added a data survey and participant consent form.

### **3.6 Empirical material analysis**

There is no universal approach for analysing qualitative data due to the rich and complex nature of the data itself (e.g. Bernard and Ryan, 2009; Gephart, 2004). Glesne (2011) suggested that analysing data is for making sense of the entire research experience by organising what the researcher has seen, learnt, heard or read during the whole process. This section discusses the strategies and concerns raised during the empirical material analysis of this thesis. The narrative analysis (e.g. Cassell and Symon, 2011; Feldman et al., 2004; Gertsen and Søderberg, 2011; Miles, Huberman and Saldana, 2013; Riessman, 2005) was used for the thirty-five semi-structured qualitative interviews and followed by the visual data analysis (Bell and Davison, 2004; Czarniawska, 2014). The issues of data saturation (e.g. Glesne 2011; Guest, Bunce and Johnson, 2006), using foreign languages in qualitative management research (e.g. Harzing, 2005; Welch and Piekkari, 2006), and the researcher's bias (e.g. Brinkman and Kvale, 2015; Chenail, 2011) were discussed as part of trustworthiness in interpretation.

#### **a. Early and main empirical data analysis**

Analysing empirical material was a progress and development throughout this research. The early data analysis started in 2013 after the pilot study, followed by the main data analysis over the next two years analysing thirty-five semi-structured qualitative interviews with a narrative approach.

### ***First phase: constant comparative method***

The first phase was an early data analysis approach adapted from Glesne (2011). Analysing data simultaneously with its collection keeps the research focused as it proceeds and helps the researcher to reflect their own thoughts into the analysis (Ibid). After transcribing interviews, re-reading transcripts and listening to audio records repeatedly, I created a table with potential themes. I adopted the constant comparative method by Glesne (2011) to narrow them down and shape my interview questions for the main empirical material collection in Mongolia.

During the main field work I made notes straight after each interview summarising the key issues, new themes and consider whether I should follow up on them.

### ***Second phase: Narrative analysis***

The second phase was transcribing, coding, and analysing the original transcripts of the thirty-five interviews in Mongolian and English with the use of NVivo software and a narrative approach (e.g. Cassell and Symon, 2011; Feldman et al., 2004; Gertsen and Soderberg, 2011; Miles, Huberman and Saldana, 2013; Riessman, 2005).

A narrative approach is widely used in organisation and management studies as researchers make use of an individual's stories to understand how certain events and experiences construct meanings to interpret their world (e.g. Czarniawska, 1997; Feldman et al., 2004). They have several variations for meticulously analysing field notes, stories, documents and interview transcripts (Riessman, 2005). Qualitative researchers employ thematic, structural, interactional and performative analysis (e.g. Boje, 2008; Cassell and Symon, 2011; Riessman, 2005). Feldman and colleagues (2004) suggested three further methods of narrative analysis involving rhetoric, semiotic and content analysing strategies. Their studies were extended by Gertsen and Soderberg (2011), who suggested using narrative theories in cross-cultural

management studies. Each narrative analysing approach has its own emphasis depending on the theoretical underpinnings. For instance, rhetoric analysis follows the notion of *enthymeme*, which utilises deductive as distinct from induction reasoning (Feldman et al., 2004). In structural analysis, the emphasis shifts from what to *how* the narrative has been told. The focus lies in the *dialogue* between narrator and listener in interactional analysis, or the emphasis goes beyond the spoken word by implying metaphors and a story in performative analysis (Riessman, 2005).

In this study, the thematic (Riessman, 2005) approach was adapted to analyse the narratives of the practitioners to construct the meaning of management in their own words. Czarniawska (1997) defined narratives as the *thematic ordering of events*. Certain themes on the notion of management, manager and managerial approaches in chronological order of during and after the transition period in Mongolia became apparent in the managers' accounts.

Although there are various approaches in narrative analysis, scholars agree that it explores social interactions and constructed meanings rather than logic or scientific truths (e.g. Cassell and Symon, 2011; Feldman et al., 2004; Gertsen and Söderberg, 2011). Hence, in interpretative research describing the process of how the researcher constructed the meaning in embedded narratives is as important as the final empirical result (Cassell and Symon, 2011; Feldman et al., 2004). Therefore, I have described the *process* of narrative analysis.

In the early stage of analysis, I transcribed interviews, and used NVivo software to organise the content with emergent themes and relevant paragraphs to be able to locate information more easily. I used memoing and it helped immensely to identify patterns and relate them back to my fieldwork notes. Miles and Huberman (1994: 72) defined memoing as a 'conceptual collaboration', and it helped keep me focused during hours of re-reading transcripts and listening to audio records. Richards and Morse (2007: 87) strategy of code development through descriptive, topic and analytical coding was adapted in coding the interview transcripts.

During the interviews, I encouraged participants to recall their past and present experiences to make the connections through their *thematic ordering* (Czarniawska, 1997). I adapted Miles, Huberman and Saldana's (2013) framework for qualitative data analysis, which follows data reduction, data display and drawing and verifying conclusions. In addition, data analysis strategy followed analytical techniques of searching for themes and patterns in empirical materials by Glesne (2011). The process of analysing thirty-five interviews with a thematic focus was as follows:

The first step was reading and re-reading to immerse myself with the original transcripts and listening to the audio records. It evoked my fieldwork and memories of the tone of voice, body language and facial expression of my participants while I was reading my field notes.

The second step was initial coding, defined as the most time consuming and detailed step by (Miles, Huberman and Saldana, 2013). I began by putting descriptive comments in each paragraph and paid extra attention to language. Punch (2014) noted the use of repetition, tone, degree of fluency or pause reflect what the participant really means. From there, my comments moved to a conceptual level, where I started interpreting each paragraph or sentence in an integrative form.

The third step was developing emergent notes based on my descriptive, linguistic, and conceptual comments by adding exploratory comments on my analysis. Exploratory comments helped to *reduce data*, as well as mapping interrelationships, connections and patterns with exploratory notes (Miles, Huberman and Saldana, 2013).

The fourth step was searching for a connection in the emergent themes by testing the chronological order, mapping how themes dovetailed and how they complemented each other. I used a *data display and drawing* approach (Miles, Huberman and Saldana, 2013) that identifies contextual and narrative elements in text while looking back at filed notes, memos, and photos that were taken at a manager's office.

The fifth step was to move to the next case or interview, repeating the steps from one to four, and subsequently applying them to all 35 interviews. I made notes on each transcript line by line and added emergent themes to be able to capture all possible topics and the possibility to create super-ordinate themes.

The final sixth step was looking for patterns across cases by identifying connections, relabelling some themes and finding some unique cases, which I followed up on during my second visit to Ulaanbaatar in summer 2015. This process followed *verifying conclusions* by Miles, Huberman and Saldana (2013).

Finally, Riessman (2005) suggested that the thematic approach is useful for theorising across several cases to find the common elements amongst research participants and events they had reported. Hence, the thematic approach was the most appropriate for analysing the managers narrative accounts. In addition, Feldman et al., (2004: 167) pointed out that describing the process of interpretation assists in understanding *how* sense is being made by allowing the researcher to delve into each storyteller's world. Describing the process of each participant's narrative account helped construct the meaning of management in a Mongolian context. It also highlighted how different events (before, during and after transition in Mongolia) and various contextual factors have influenced local practitioners' understanding of management, a manager and their managerial approaches.

## **b. Visual analysis**

As mentioned earlier in the 'Methods' section, using photographs for this study was not a planned activity until I noticed there were similar objects in the managers' offices during the fieldwork. A beautiful painting of a landscape or mountain, sculpture of a horse or Chinggis Khaan, or horse-fiddle with a blue silky string attached around the horse's neck was guaranteed to be in the room. Inquiring about their meaning and how it related to the

individual occurred naturally and it often became the start to our conversation. After discovering that these objects have much more meaning than just office décor or personal belongings, I decided to include photos in my analysis to describe how they can reflect an individual manager's thinking, behaviour and activities. My decision was confirmed after re-visiting some in 2015, a year after our initial interview.

Visual material examination can be divided into types dependent on the research focus (e.g. Bell and Davison, 2013; Bryman and Bell, 2015; Warren, 2005). The first is focussing on the examination of the pre-existing or 'extant' visual material to understand the intended message by the people, who created that aesthetic material. Alternatively, it can be generated with a focus of 'research-driven' which can be caused either by the researcher or research participants. In this study, visual materials were used as a part of the empirical investigation in constructing the meaning of management from the practitioners' perspectives. Hence, 'extant' visual material displayed in the managers' office was used as a starting point for the interviews by encouraging participants to tell the story and meaning of each.

Bell and Davison's (2013: 179) suggested that the use of both visual and linguistic materials allows the researchers to discoverer the surrounding *multi-sensorial nature* of organisational experiences such as sight, hearing, smell and taste.

In analysing visual materials in this study, Czarniawska's (2014: 104) five step technique was adapted. Her five steps of analysing photographs involved describing the photo (1), identifying the subject matter and characteristics (2), recognising the style (3), classifying the genre (4) and comparing with other images (5). Her visual analysis technique allowed me to investigate the symbolic or spiritual relationship between the artefact and owner by allowing participants to expand on their reasons for having them in their offices. It assisted in gaining a clearer picture of how practitioners understand the concept of management as many narratives of native participants highlighted the symbolic meaning of an artefact that represented their home county or ancestral lineage.

By allowing participants to tell stories about their office artefact, this study followed Bell and Davison's (2013) concept of combining visual and verbal materials to enter the *world* of each story teller and examine how their understanding of management, a manager and managerial approaches are constructed. The detailed description of selected photographs and narratives of managers are presented in 'Managing in Mongolia' (chapter four).

### **c. Trustworthiness in interpretation**

Trustworthiness in interpretation is a core element in analytical interpretation in qualitative research (Glesne, 2011), and to ensure this, I justified adequate sample sizes in the data collection and acknowledged the role of the translation process in the data analysis.

#### ***How many interviews are enough?***

Consistent with Guest, Bunce and Johnson (2006) deciding how many interviews are enough in a study was probably one of the most common questions for early researchers. Ryan and Bernard (2003) stated fifteen is the minimum accepted number in a qualitative study. By contrast, Smith, Flowers and Larkin (2009) argued that there is no right answer as it is dependent on the degree of commitment to the field work, level of analysis, richness of the individual account or organisational constraints one is operating within. His view that sample size is dependent on the nature of the study and the researcher should be able to decide data saturation is supported in this research.

Furthermore, Guest, Bunce and Johnson (2006) found data saturation mostly occurs after twelve semi-structured interviews to describe common behaviour in groups of people, who have the same culture. In this study, I was interested in understanding the shared interpretations of management and managerial approaches among local practitioners in

Mongolia. They share the similar experiences of working in the local business environment and managing local staff even though their personal and professional backgrounds differed. Hence, this study corresponds with Guest, Bunce and Johnson's (2006) description of data saturation. On the other hand, the specific number of twelve interviews was not targeted nor followed as a guideline to the number of interviews to be conducted.

When I conducted the pilot study, I interviewed four senior managers, who all had industry expertise. I did not have a set target for the number of interviews before my fieldwork, although I had twelve confirmed participants, who had agreed to take part in my research and had recommended other similar managers for my study. Not getting confirmation for interviews before my fieldwork did not concern me, as I knew that provided I was physically in Ulaanbaatar, they could be arranged. This is due to the local culture that prefers personal contact. My professional network with business practitioners and the personal recommendations enabled me to arrange the interviews easily. In total, 26 interviews with Mongolian managers, and 9 with non-Mongolian managers were conducted. During the fieldwork, I noticed that themes had become repetitive and data saturation was reached after 20 interviews with Mongolians and five with non-native managers. I always arrived half an hour earlier than the scheduled time for my meeting to make a note of the office-setting, employees and compose questions if I noticed anything interesting. My main empirical material was collected between May and August 2014 in Ulaanbaatar, Mongolia. I attended many business meetings and informal conversations with business and managing practitioners. Informal talks helped to confirm the emergent themes from interviews and gain new insights, which could be followed up on in my next interview. I visited again a year later and had supplementary meetings with some of my interviewees in July 2015. The follow-up meetings allowed me to ask further questions after the initial data analysis to confirm some preliminary findings and request permission to take photographs of certain artefacts. The semi-structured qualitative interviews, visual materials from their offices, lengthy dialogue



with practitioners and field notes during my empirical data collection gives the confidence to claim a strong reliability in the trustworthiness of this research.

### *Crossing language boundaries*

The use of multi-language in qualitative research is one of the main agendas in trustworthiness in interpreting empirical material and the researcher plays a significant role in increasing data accuracy and authenticity, building a rapport and the construction of mutual understanding (e.g. Harzing, 2005; Welch and Piekkari, 2006). It is an increasingly common practice among qualitative researchers, and scholars have different opinions as to what extent the translation process can influence the data analysis and production of final conclusions (Welch and Piekkari, 2006).

In international business and management studies, the use of English is widely accepted and published. However, the collection of empirical data using a local or native language is often not discussed in a methodological section (Chapman, Gajewska-De Mattos and Antoniou, 2004). In this research, the semi-structured interviews were conducted in Mongolian and English. Selected narratives were translated from Mongolian to English during the empirical material analysis.

Welch and Piekkari (2006: 421), considered that competent language ability is essential, but in qualitative research, researchers need to have other skills to familiarize themselves with the 'communicative norms' of a particular society. Andrews (1995) stated that using local language 'opens doors' and 'establishes trust'. I am a native Mongolian, which helped to reduce the limitations of language. Specifically, certain phrases or anecdotes used by the native participants during the interview would only be understood by someone who spoke the same language. Moreover, my experience of living abroad for twelve years and being a university lecturer and management consultant gave me the confidence to understand and interpret technical terms from Mongolian to English competently. Bradby (2002) and

Shapiro, Kirkman and Courtney (2007) argued that translation plays an integral role in analysis as people use different phraseology for describing their view of reality. Temple and Young (2004) claimed that ‘getting lost in translation’ can be avoided if the researcher is fluent in the languages used in the field and analysis. I was aware that the use of language for the empirical material collection and for reporting were different and that the researcher can potentially influence the interpretation depending on their linguistic skills, as noted by Harzing (2005).

Welch and Piekkari (2006) suggested that the use of a foreign language brings issues in data accuracy, authenticity of responses, and the construction of mutual understanding. To ensure data accuracy and authenticity of responses, I followed their cross-cultural interviewing techniques which suggested that the researcher should do more than just ask questions during the interview. The researcher’s ability to change interview questions, use appropriate body language and be observant increases the level of accuracy and authenticity of the empirical material (Ibid). The combination of interviewing, observing, taking field notes and collecting visual materials ensured the data accuracy and authenticity of empirical materials for this research.

Furthermore, the process of constructing the similarities in narratives was in line with the ‘localist’ approach by Alvesson (2003) and Welch and Piekkari (2006). They suggested that interpretation should not be limited by ‘data’ produced from the interview transcripts, but rather by recognising the meanings conveyed in the local language it can be expanded upon in the reporting language. Hence, I focussed on interpreting the meanings of narratives to construct the understanding of management through practitioners’ shared experiences.

### ***Researcher's bias***

In qualitative studies, the researcher's own experience can influence the interpretation directly or indirectly in crafting the final conclusions (e.g. Chenail, 2011; Glesne, 2011). Therefore, I attempted to reflect the *authentic voice* of participants (Punch, 2014: 128) throughout interpretation, although I was aware that my personal background could influence the outcome of interpretation directly or indirectly. During the field work, I could relate with some stories from local managers to my personal experiences. There were apparent themes of the different understanding of managerial roles and approaches between older and younger managers, which were comparable to my parents' view. My personal knowledge of how my parents, who were educated and worked during socialism, see collegial culture and managerial roles, made me ask participants about their previous experience and formal training.

On the other hand, I left Mongolia when I was 19 to study abroad and have very little work experience in local companies which made me an 'outsider' and a 'learner' as discussed earlier. In this manner, I recognised my multiple roles of being the *investigator* and *instrument* (Chenail, 2011: 255) for interpreting the empirical material of this study. I attempted to ensure the quality and nuance of the interpretation by spending countless hours analysing the empirical material, verifying emergent themes, and re-reading relevant literature and the result was a revelation.

### **3.7 Research ethics**

In interpretivist research, interaction between researcher and researched is very common and ethical issues are relevant to both (Glesne, 2011). The nature of qualitative research requires building a relationship with participants and the ethical issues need to be considered carefully in the design and philosophical inquiry (Ibid). The ethical approval for this research was

approved by the Chair of the Ethics Panel, School of Business, Leadership and Enterprise, University Campus Suffolk (now known as the University of Suffolk) on 26<sup>th</sup> of September in 2013 before conducting my pilot study in December 2013.

In interpretivist research the researcher becomes involved by immersing him/herself into the data collection, which results in certain dilemmas (Behar, 2014). Some are identified as to become exploitative and to feel guilty about collecting information without giving enough in return (e.g. Behar, 2014), intervener, who judges the right or wrong of actions and behaviour of the participants (e.g. Fine and Sandstorm, 1988), advocate, who decides to take a stance on certain issues arising, or friend, who accesses confidential information with the use of friendliness (Glesne, 2011). Furthermore, she considered that keeping a neutral role is difficult in a qualitative inquiry, however, building trust, collaboration and negotiation with participants can help the researcher to avoid ethical dilemmas (Glesne, 2011).

The fact of my relationship with the potential research participants helped me to negotiate my role, access the field, and conduct fieldwork as professionally as possible. Moreover, I was not just a research student, but a regular speaker at business events that allowed me to be accepted as both consultant and researcher. The fact that most of my participants invited me to interview them at their work place during office hours may show how professionally they treated me which eliminated the discomfort of becoming overly friendly during the interviews.

The right to privacy and respect of confidentiality was taken seriously from the early stage of my research by providing a consent form, brief research introduction and sample interview questions to potential participants prior to inviting them to take part in my study. This enabled them to decide for themselves whether they were willing to participate or simply ignore my corresponding email. Kaiser (2009) argues that the right of privacy should go beyond research data collection as participants are entitled to see the final report before it is published. The researcher should negotiate with participants from start to completion of the

research project. I support Kaiser's (2009) point of the participant's right to control, so I ensured that the negotiation process during my study allowed them to withdraw at any time before my research was completed. They and the nature of their business could remain anonymous, and I was only an email away in case they changed their mind.

All my participants signed a pre-sent consent form, which addressed that there was no financial or monetary reward attached to my research, and they were invited to attend on a voluntary basis. The strategy of avoiding financial gain was supported by the view that reciprocity-monetary rewarded research spoils the collaboration and trust between research and the researched (Kaiser, 2009).

Finally, Glesne's (2011) suggestion of being hospitable towards the local cultural norms as an ethical framework for ethnographic research is adapted in this study by collaborating with research participants and respecting their values, beliefs and opinions to eliminate the boundaries between researcher and researched.

### **3.8 Conclusion**

This chapter examined the methodical framework to explore how management is understood by local practitioners in Mongolia while identifying the impact of local socio-cultural and institutional contexts. The exploratory nature of this study located this research into interpretivist paradigm with a qualitative approach and ethnographic methodology. Ethnography was adapted to aim at the comprehensive level of understanding in local managers' meaning and interpretation of their experiences and identifying certain influencing factors on their daily managerial approaches and activities. Semi-structured, in-depth, face-to-face interviews were conducted with 35 local managers (26 Mongolian and 9 non-Mongolian) in the summer of 2014 in Mongolia, and follow-up interviews were held with the same participants in the summer of 2015. Initial recruitment was started through my personal and professional network amongst business and investors' communities within the United

Kingdom and Mongolia. Snow-ball sampling (e.g. Browne, 2005; Noy, 2008) was used to identify potential participants within the business community in Mongolia. Their management experience ranged from mid to senior level for an average of 12 years. Other research methods included photographs of their office-setting and artefacts were collected to use as extra field material to give a more detailed picture.

The pilot study took place between December 2013 and March 2014 by interviewing six senior level managers, who were in London for business meetings, which was the preparation for my main empirical material collection in summer 2014 in Mongolia. Interview questions were loosely-constructed within themes of background, behaviour, and opinions to allow participants to share their management experience. I positioned myself as researcher, learner, and observer during the fieldwork, which gained participants' trust and gave them the opportunity to provide further information.

The empirical material analysis had two key phases of analysing the pilot study and the early stage of material gathered using a constant comparative method and the writing of notes during the fieldwork. The second phase adapted a narrative analysing strategy with a thematic approach to find the comparable themes across the 35 in-depth, semi-structured qualitative interviews. Following this, visual analysis techniques were adapted to describe the subject matter of selected images using the managers' narratives. A critical visual analysis method was implemented as photographs were treated only as a part of field material and to complement the conceptual themes which emerged from the interviews.

Trustworthiness in interpretation represented how the issues of reliability and validity, using multiple-languages in qualitative research, researcher's bias and research ethics were considered in this study.

The empirical material analysis outlined the similarities and differences among the three groups of participants in relation to what management means, who a manager is and their

common approaches. The significance of societal, cultural and other non-cultural and institutional impacts have also been taken into consideration.

## CHAPTER FOUR: 'MANAGING IN MONGOLIA'

### Chapter overview

This study explored the understanding of management in Mongolia by examining local practitioners' perspectives in relation to the concepts of management, manager and managerial roles. Moreover, it investigated the contextual influencing factors by examining the narratives of three groups of managers. This chapter presents the narratives of thirty-five local practitioners in four sections, which are as follows; a) local managing practitioners and their understandings of the concept of a manager, b) participants' understanding of the notion of management, c) common perspectives in the conceptions of managerial roles, and d) contextual influencing factors on their understanding. Each section uses extensive quotations from the interviews to allow recognition of the participants' own voices. Additionally, field notes made during interviews together with descriptions about selected photographs have been used to construct and interpret the understanding of management in the Mongolian context.

### 4.1 Local managing practitioners and their understanding of the concept of a manager

The notion of management or a manager is relatively new to Mongolia. The use of these terms was only introduced after 1990, when the country transitioned from seven decades of a socialist planned economy to a free market economy. Prior to 1992 the person who managed people or an organisation was known as a '*darga*', meaning 'the chief' in English. Their training, communication styles and priorities were very different from today's or the Western understanding and expectation of the managerial profession. They are still working in the contemporary business community alongside their younger Mongolian and non-Mongolian colleagues.

It is important to introduce the three groups of practitioners before presenting their narratives and explaining how their personal and professional background have created differences in



their understanding of the concepts of a manager, management and managerial roles. This study identified three cohorts of practitioners and although their understanding and approaches were not completely distinct from each other, there were certain differences in their conception of certain aspects of management.

#### **a. ‘Socialist-era’ managers**

For ‘socialist-era’ managers, being a manager or master was one of the most respected positions during socialism and they were expected to maintain high professional and moral standards. The following two accounts are used to define their role of master:

*“We did not use the term of manager or management. The person in charge was known as ‘darga’- the chief or master. Being a master means to be the exemplar, professionally and morally and respected by everyone.”*

(S-1, Public sector, M, 28 years of experience)

*“We had the motto of ‘Each member of a socialist society devotes his skills to building Communism by reaching our work target and looking after each other as one family.’”*

(S-3, Public sector, M, 32 years of experience)

In a traditional nomadic culture, the elders or head of the tribe had the responsibility of looking after the whole community by giving advice and making key decisions on seasonal movements. Hancock (2015), in her study on the moral education of Mongolia, concluded that a nomadic culture created its own unique set of standards influenced by exemplary role models, who were respected by the whole community. Therefore, being a manager or master during socialism also meant ‘being an elder’ and consequently, most accounts of socialist-era managers agreed with the notion of a manager as the ‘head’ of the organisation.

In terms of qualification, they trained and studied either in former socialist countries or in Mongolia with an identical curriculum to Soviet universities. All levels of education were free, including studying overseas. Studying abroad was a prestigious opportunity and only the best academic achievers were selected. Degrees were pre-selected consistent with industry forecasts and approved by committees and very few studied business or management. Instead, they took engineering and technical related degrees, as the country was inclined more towards manufacturing than the service industry. The next most common degrees during the socialist period, was teaching and political studies.

Degrees in management and business only emerged after 1991. Even then, local universities did not have curriculums to manage or run a private business, nor had the qualified academics to develop new courses. The rise of private universities started in the late 1990s and they began offering business degrees. Narratives indicated that terms of competition, customer-demand or incentive-driven were a completely new vocabulary and learning the concept of running a private business was the biggest challenge for many. However, only two out of twelve participants in this group said that they attended regular management training. All participants in this group acknowledged the challenges of keeping up with new technologies, increasing economic pressure and adapting to continuous changes.

#### **b. ‘Transitional-era’ managers**

The second group of managers identified were younger than the first cohort of managers. Most of them were in their late 40s and defined the notion of a manager as ‘business person’.

Transitional-era managers divided further into two sub-groups due to starting their career in different phases of local economic development, which further influenced their understanding of managerial roles;

a) The first group's age ranged between early to late 40s, and they obtained their degrees in the beginning of the 1990s. Their managing experience began during the transition period by building their own businesses.

b) The second group were in their 30s or younger and completed their studies from the 2000s. Most of their managing experience started from the mid-2000s, when the local economy developed rapidly due to mining and foreign direct investment. A significant percentage of them studied abroad and had overseas work experience.

Transitional-era managers, who are in their 40s consider themselves as '*pioneers*' of private business development in Mongolia. Many of them started their own company without previous experience or knowledge in business or sales. Their main priority was '*surviving*' during the great challenges of the transition period. The following account illustrates how these practitioners see themselves professionally:

*"I started my business from a small shop and employed three people. My duties were to keep my business 'alive' and pay salaries on time. The bigger the business grew the more people could be employed."*

(T-4, Private sector, M, 19 years of experience)

On the other hand, narratives of younger managers indicated that they see business as an opportunity for growth and development for themselves and others. Many accounts addressed that they tend to experiment with new business ideas, such as the stock exchange, online marketing or home delivery which are emerging services. A young manager who had lived and studied in the US for several years and then opened her language-training centre in Ulaanbaatar said:

*"I helped many people to reach their dreams, now I want to help myself to reach mine, which is why I started my company. There are a lot of problems and challenges for any new venture in Mongolia. Things like new company registration, or submitting accounts are a simple and*

*straightforward process in the US, but in Mongolia, it can take several months. Then again, there are lots of opportunities to grow and prosper here, so I try to focus on the bigger picture.”*

(T-12, Private sector, F, 8 years of experience)

A significant difference emerged between the two groups in terms of running a successful business. Younger practitioners, who were in their 30s, emphasised the importance of being entrepreneurial and testing new ideas in both business and management. By contrast, the older practitioners, highlighted the importance of keeping a steady pace in business development, although some of them did mention the need for new ideas and experimenting. Most participants defined themselves as a ‘business-developer’ as this was perceived as their key role.

In terms of qualification, most had studied business degrees overseas. Those, who are in their 40s completed an MBA or MA recently as they had not had an opportunity to study during the 1990s or their business degree was inadequate for today’s business and management environment. All younger managers had university degrees in business related subjects and most of them had studied or had experience of working abroad. Therefore, all transitional-era managers were trained formally even though the age and circumstances of starting their managing career differed from each other. Additionally, twelve out of fourteen participants said they regularly attend management training. Therefore, those whose work experience began after 1991, are identified as transitional-era managers in this study as they share similarities in their formal qualifications and perspectives to the notion of a manager. In general, they are a) younger than their socialist-era colleagues, b) have business and management qualifications, and c) tend to emphasise the importance of entrepreneurship and experimenting with new ideas in business and management.

### c. Non-Mongolian managers

The main criteria used to identify the third group of practitioners was geographical which indicates that all members of this group were non-Mongolian and have managed local staff in Mongolia.

Members of the third group were not temporary residents as the majority have settled down or have a long-term plan for working in Mongolia. Their narratives provided significant insights in constructing the local management understanding as their relevant experience averaged more than seven years. Therefore, they are identified as local managing practitioners, who contribute to the economy by creating jobs and to management by bringing their own skills and expertise to local practices. Since 2005, Mongolia began to receive an increasing number of expatriates, especially in the mining industry, however, all participants in this study were from the service industry representing recruitment, accounting and leisure services.

They defined the concept of a manager as a ‘business and people developer’, which is illustrated in the following accounts:

*“As a business-owner you wear many hats to develop business. People progress quickly in our company on merit. We are a very transparent and fluid team who help each other.”*

(N-2, Private sector, F, 5 years of experience)

*“The manager serves people under you. So, I want Mongolians to reach the mid-level (of management) and share some of my responsibilities in the coming years. That is my target for the next two years.”*

(N-4, Private sector, F, 3 years of experience)

Narratives suggested that they aim to develop business, as well as their staff by providing technical training due to the emergence of service industries in Mongolia.

In terms of qualifications, five out of nine participants studied management and business degrees up to postgraduate level and the other four had practical training through apprenticeships. All of them had prior experience of running a business or working for multinational companies. Their narratives suggest that providing on-the-job training is one of their important roles.

## **4.2 Participants' understanding of the notion of management**

This sub-section discusses the shared understanding of the notion of management. Managers of all three groups provided a detailed account of their perspectives and elaborated on their own experiences. Their opinions created distinct differences between the three groups of managers. The notion of management was defined as a) focussing on looking after people, b) emphasising business development and c) integrating both business and staff development.

### **a. Looking after people**

Socialist-era managers, whose understanding of a manager was being the 'head' or 'parent', defined management as looking after people. Those, who worked during socialism, see managers as being responsible for looking after their colleagues by developing guardianship to subordinates. Narratives indicated that management means treating employees with consideration by promoting a collegial culture among staff and treating everybody in an equal manner. Creating a harmonious work environment by maintaining a good relationship between colleagues and being a 'parent' was highlighted among the narratives of older managers. The account below illustrates this:

*“Management is the relationship between people and as a manager I create one big family, where everyone is looked after. Parents treat their children equally despite their differences and in return, they (children or staff) remain loyal to you.”*

(S-4, Private sector, M, 23 years of experience)

Using the metaphor of ‘parent’ was common amongst the first group to describe the relationship between manager and employees. At the same time, their accounts indicated that being a ‘parent’ is a method of retaining staff by creating a ‘family bond’ within the organisation.

The notion of a parent-figure and its role differed between male and female mentors. Some older managers recalled that their male mentor was more of a father-figure and took the roles of directing and commanding. Others said their female mentor was like a mother who nurtured them and had a softer approach in situations involving differences of opinion. The below account illustrates the bonding relationship:

*“After completing my university in Stalingrad (now St. Petersburg) I was appointed to be a Master. On my first day, I was given a mentor, who took me as her own daughter. She is one of the biggest influences in my life, and I kept in touch with her until she passed away a few years ago. I still have contact with her children.”*

(S-8, Private sector, F, 30 years of experience)

In the narratives among older managers, the metaphor of family was being used to explain their perception of management, as well as treating their staff equally to promote a collegial culture. Having high moral standards, treating colleagues equally and being a role model to junior staff by creating a supportive environment were highlighted in socialist-era managers’ understanding of management.

A total of twelve practitioners participated in this category, and all including those who are currently running their own businesses, agreed that managing inter-personal relationships and supporting colleagues were key components in management.

### **b. Looking after business**

By contrast, transitional-era managers defined management as developing or looking after the business. Private enterprise emerged after 1992 and many people started their own businesses. Those, who succeeded have become the senior managers in today's large firms in Mongolia and their understanding of management is to develop business. Their narratives suggested that management is an activity that focuses on business development rather than human relationships. Practitioners, whose experience started immediately after the collapse of socialism, raised the idea of *survival*, which represented their business focus in the 1990s. They agreed that running a start-up or family owned small medium enterprise (SME) without any prior knowledge or financial support was a challenge. Hence, their prior experience shaped their understanding of management as surviving and the following two accounts illustrate this:

*"We all started from scratch under great economic pressure. Our entire focus was to survive and pay our bills on time. If we made a profit, it was a bonus and it meant staff could have a pay-rise."*

(T-6, Private sector, M, 18 years of experience)

*"When we do well (profitable), then I invest more in new products and people. However, we have to stand on our feet by first developing our business."*

(T-4, Private sector, M, 19 years of experience)



Similarly, narratives of managers from the 2000's agreed that the core focus in management is business development. At the same time, their opinions differed from the 1990s managers by emphasising innovation and *entrepreneurship*. Five out of seven 2000's managers in this study were owners of businesses which had introduced new services such as online shopping, home delivery or social marketing. Hence, their notion of management is understood as business development either as *survival* or *entrepreneurship* compared to socialist-era managers, who emphasised morality and human relationships.

### **c. 'Strategy-driven' approach of looking after business and people**

Narratives of non-native managers cited ideas of *business* and *people growth* to describe their understanding of management. All participants in this category agreed that the country's expansion into the international market and investment opportunities were the main reasons for working in Mongolia. Therefore, *personal career* or *business growth* plays an important role in their understanding. However, their understanding of business growth was more systematic and established compared to the transitional-era manager's idea of business development. Four senior managers, who work for multi-national companies, considered business growth was in line with *market position* or gaining market share rather than pioneering new business ideas. Five other business owners' attitudes were similar to Mongolian managers of business start-up and *being profitable*.

Apart from defining management as business activities, all non-Mongolian managers' accounts indicated that it is also the practice of *developing staff*. Participants in this group work with or primarily employ Mongolians and explained that the need for staff development is due to the introduction of international standards into local businesses. Their idea of staff development focuses on technical competency and individual development which differs

distinctly from socialist-era managers' ideas of guardianship and equal treatment. The below two accounts illustrate a non-Mongolian managers' understanding of management:

*“Management is building a successful venture with a great product and the right people. I came here to start my own consultancy. So, starting my business is important, but without the right people, it will not happen.”*

(N-2, Private sector, F, 5 years of experience)

*“A is already a world-known company. We are here to expand by helping the local business and people. Finance and people are two sides of the same coin and support each other. Therefore, managing both business and people is important.”*

(N-4, Private sector, F, 3 years of experience)

There was an additional theme of *personal career growth* or development as one of the components of management in one participants' interview. Nevertheless, non-native managers generally see their profession as a business and people developer, and understand management as activities to achieve this.

### **4.3 Common perspectives in the conceptions of managerial roles and approaches**

Following discussions on how the notions of manager and management are understood by local practitioners, this section explores their understanding of managerial roles and the common approaches towards each. All were invited to share their experiences of daily management practices, as well as indicate the key influencing factors in their approaches.

For conceptions of managerial roles, study participants suggested four main roles of leading, networking, learning and personal development, decision-making and negotiation. All three groups of participants agreed on the four main roles, although their narratives differed in explaining how they practice each with a specific approach and understanding.

The table below illustrates the understanding of the conceptions of managerial roles with common approaches:

<b>Common under-standings of managerial roles</b>	<i>Leadership</i> (role of leading)	<i>Networking</i> (role of developing networks)	<i>Personal development and learning</i> (role of learning and developing own and/or staff technical skills)	<i>Decision-making and negotiation</i> (role of making decisions and negotiating)
<b>Participants' groups</b>	<b>Practitioners' perspectives on common approaches towards managerial roles</b>			
<i>Socialist-era managers</i> (1 <sup>st</sup> group)	Controlling; Being a parent.	To get things done; To look after 'nutgiin hun'.	Improving own management skills.	Top-down; No negotiation.
<i>Transitional-era managers</i> (2 <sup>nd</sup> group)	Control; Fear; Pressure; Empowerment	To get things done; To access information; To look after 'nutgiin hun'.	Learning by experience; Improving entrepreneurial skills; Improving staff technical skills	Top-down; Information and knowledge sharing; Limited discussion
<i>Non-Mongolian managers</i> (3 <sup>rd</sup> group)	Empowerment Control	To get things done; To access information	Improve staff technical skills; Training	Participative; Information and knowledge sharing; Discussion

**Table: 4.1** Common understandings towards managerial roles and approaches

Participants' understanding of each managerial role was discussed in detail with the purpose of presenting all three groups perspectives and experiences, followed by noting the differences and similarities in their common approaches.

### a. Common conceptions of the role of leading

#### Socialist-era managers:

The narratives of the first group suggest that being a *parent* to subordinates and keeping *control* were common approaches in their understanding of leadership roles.

*'Being a parent'* was related to their previous work experience during the socialist period when they recalled being given a mentor, who had the role and responsibilities of directing, guiding and advising younger employees. Older managers highlighted the importance of receiving emotional support during their apprenticeship from their mentors. Therefore, their understanding of managerial roles was influenced by their prior experience and perceived a good manager or leader as being a 'parent' to employees, to advise and guide professionally and personally. Some even referred to their management style as paternal/maternal nurturing:

*"I advise and help my co-workers. They are no different to my children and they respect me like their mother."*

(S-8, Private sector, F, 30 years of experience)

Based on the narratives, the local paternalistic approach has the mixed meanings of being a guardian to co-workers, as well as being a boss by practising an autocratic approach with top-bottom communication in daily management. Some accounts suggested that the notion and practice of *'being a parent'* for local managers is inspired by the traditional hierarchy in Mongolia, where elders had responsibilities towards youngsters and gained respect in return. Therefore, older managers' understandings of leading by *'parenting'* were more in line with fostering individuals' personal and professional skills for the firm's benefit. Similarly, Jackson, Amaeshi and Yavuz (2008: 414) defined the paternalistic approach in African management as 'management control', which cares for colleagues rather than commands.

The second common approach towards leadership amongst socialist managers' accounts was keeping *control*. Some narratives emphasised that having a greater control over management and business activities helped them to become a better leader. Many linked their preferred approach to their experiences of being a manager or master during socialism, when things were better organised and achieved results. Likewise, accounts of some participants referred to controlling as a natural approach to leading people and an organisation. Consequently, older managers' understanding of the concept of leadership and the role of leading have the shared approaches of *being a parent* to colleagues, as well as maintaining a *control* over the budget, people and company.

#### **Transitional-era managers:**

Accounts of younger managers indicated several approaches to the role of leading which ranged from *controlling* to *empowerment*. Following their understanding of the concepts of a manager and management, which highlighted business development, their perspectives to managerial roles stressed the importance of business growth. Their accounts emphasised that developing business requires using flexible approaches in leadership through *fear*, *pressure*, *control* and *empowerment*.

Many narratives indicated that using *fear* and *pressure* along with *control* were used to improve the performance and accountability of staff members. The following account illustrates why they think that the fear factor encourages internal competition and improves individual performance within the firm:

*"I think that Mongols need a fear factor. (sigh) We-Directors do not want to frighten them, but they need it when it comes to accountability and responsibility. Ever since we were pupils at school, we were reprimanded by the teacher and threatened with being reported to our parents if we did not do our best. So, that mentality of being pushed is reflected in our work ethics when we became employees. Young people today, know their rights, but fail to*

*understand their responsibilities, so we have to pressurise them to make them understand they work for themselves, not for the manager.”*

(T-1, Private sector, M, 12 years of experience)

Additionally, some narratives stated that *controlling* is used to measure individual productivity and accountability.

Opposing using fear, some shared their experience of *empowering* staff. Narratives of those whose experience began after the 2000s highlighted the importance of empowerment over pressurising or controlling in their leadership approaches. A transitional-era manager, who is Head of an HR department in one of the biggest companies in Mongolia, shared his success story of empowering his line managers:

*“The role of an HR manager is to provide the system that allows line managers to have the right to choose their staff and take the responsibility to train and manage them. I empowered line managers by giving them the freedom to choose their staff, and in return, they need to deliver. That is my control. Usually after one or two mistakes, they (line managers) learn their rights and responsibilities. The important thing is to provide the system, where they can make decisions and perform at the same time.”*

(T-6, Private sector, M, 18 years of experience)

The narratives of the second group of managers stressed the importance of flexible approaches in leadership and other managerial roles. Furthermore, they acknowledged that their perspectives towards managerial roles are shaped by what works best in a specific scenario. Therefore, some accounts of transitional-era managers corresponded with the socialist-era managers’ approach of controlling and commanding, whilst others indicated empowerment and the building of trust.

### **Non-Mongolian managers:**

The accounts of non-native managers stressed the importance of implementing *empowerment* to encourage local staff to step into middle management. Most participants in this group expressed the need for organic growth within staff and their confidence in being able to promote them into lower or mid-management within a few years. Most non-native managers' understanding of leadership was focussed on developing employees' practical skills compared to transitional-era managers, who placed more emphasis on business development. A British manager, who runs her own accounting firm, shared her experience of how she leads by empowering staff, as:

*"A good manager gives employees an opportunity to grow. By empowering my staff, they become more confident. It has also reduced my time needed for micro-managing them."*

(N-8, Private sector, F, 6 years of experience)

At the same time, not all non-native managers responded with empowerment as their key approach. Several participants drew on their experiences of being impelled to use control despite favouring empowerment. Their narratives suggested that their leadership approach of controlling or pressurising was based on the preference of local staff as explained by a non-Mongolian manager, who runs a recruiting firm in Ulaanbaatar:

*"I get the sense that Mongolians want their management to be strong and have a clear direction. They do not want over-involvement and they expect you to know the answers. So, they get on with their job and feel safe that the company is heading in the right direction. They wanted us to behave like bosses, and when we did, the company was so much happier."*

(N-2, Private sector, F, 5 years of experience)

Moreover, participants of this group shared their experiences of using the *fear* or *pressure* factor to increase staff punctuality and performance. One non-native manager shared her experience of installing a thumbprint machine and circulating an email stating that cuts to salaries would be made for late comers. This solved her staff punctuality problem overnight. It came as a surprise to her as she was expecting anger and frustration from her staff. At the same time, participants explained that the use of controlling and pressuring was more in line with guidance and support.

Narratives of all three cohorts of managers acknowledged that controlling is one of the common approaches in their leadership perspectives. Younger and non- Mongolian managers added the practical benefit of controlling to improve individual accountability and employee performance.

#### **b. Common understanding towards the role of networking**

##### **Socialist-era managers**

In many instances managers from the socialist era indicated that keeping a close network with former classmates and colleagues assisted in business transactions and recruitment. Their narratives suggested that this assisted in accomplishing business in an efficient manner. Relying on informal networking was not unique to older Mongolian managers as all three groups of participants agreed that developing an extensive business network enables them to access information and services in both the private and public sectors.

Some accounts of socialist-era managers stressed that recruiting from the close circles of former colleagues allowed them to build mutual understanding and respect. The following account illustrated why they prefer hiring their socialist-era colleagues:



*“People, who were with me during the socialist time, are trustworthy and have high morality. If any of us need a favour, we help each other without a condition, which you cannot get from today’s youth.”*

(S-1, Public sector, M, 28 years of experience)

The above account highlights the importance of morality and trustworthiness between employer and employee among the same generation, who have a similar understanding towards work ethics and management. Thus, narratives of older Mongolian practitioners suggested that accessing information and services through informal networks or doing a favour for former colleagues is acceptable behaviour in local management and business practices. Many accounts suggested that the practice of nepotism is a positive influence.

The second common approach in networking was establishing a close network with *‘nutgiin hun’* (people from the same province as themselves) as suggested by older Mongolian practitioners. Participants explained their understanding of favouring *nutgiin hun* in the recruitment process or conducting business with them is their moral duty to their ancestors. Simultaneously, many accounts indicated that they perceive their managerial role as a ‘guardian’ or ‘parent’ to the younger generation from the same county. Some accounts suggested that being looked after by *nutgiin akh* – *‘brother from the same county’* - is an expected social norm among people who share localities. Many accounts linked their preference to the beginning of the free market economy in 1992 when they were given the freedom to make choices in their recruitment and selection processes for the first time.

The common understanding of socialist-era managers emphasised the exchange of favour to and from close networks, as well as highlighting the expectation of socially and culturally looking after their ‘descendants’. Gaining access to goods and services through informal networks is a common practice in different cultures (e.g. Weir and Hutchings, 2005; Yang, 2012). However, perceiving a moral obligation towards *nutgiin hun* was a unique

understanding among local practitioners' narratives. Some accounts suggested that their approach was linked to the nomadic concept of sharing trust with people from their neighbourhood. The nomadic society neighbourhood known as *hot ail* – (a group of families, who are not necessarily relatives) shared resources and bonded during the seasonal moves. They managed households in a hierarchical and paternalistic way for many years, in some cases, for generations (e.g. Hancock, 2015; Humphrey and Sneath, 1999). Hence, older practitioners' understanding towards networking, favouring former colleagues and *nutgiin hun* were interlinked with the traditional concept of moral duty, as well as the socialist tradition of valuing a collegial culture.

### **Transitional-era managers**

Transitional-era managers indicated using their network to facilitate business deals, achieve results and *access accurate and reliable information* and their narratives indicated this as in the following example:

*“It may sound strange, but getting the correct information is difficult here (in Mongolia). If you ask ten people, you will have ten different answers. Even something simple like a monthly report about export or important figures, which you’d expect to see on their website. We need that information for our marketing strategy and I often use my personal network to get an updated report.”*

(T-4, Private sector, M, 19 years of experience)

*“If you follow the formal process, nothing gets done or it will take months. However, if you know the person who is in charge through a personal connection, it gets done within days. It is all about who you know.”*

(T-9, Private sector, M, 12 years of experience)

Networking to aid accessing sources of information may sound comparable to the Russian indigenous management concept of *blat* which refers to gaining access to goods and services through informal sources, Ledeneva (2009). On the other hand, it is evidence that accessing information freely and transparently is still lacking in the local business environment.

Another common approach in networking was creating a *circle with people from the same province* suggested by both older and younger Mongolian managers. The narratives of Mongolian participants suggested that one of the most influential networks created for business and social activities is inspired by the shared location or home province. Mongolia has 21 provincial municipalities and each province is subdivided into several districts. Each has a Home Council, which is a non-profit making organisation run by business, political and celebrity figures who were born there. Accounts suggested that business owners and senior managers spend a considerable amount of time and funding to promote their home county by organising social, cultural or religious activities. Transitional-era managers shared similar understanding with socialist-era managers towards serving the local society in their home province and supporting *nutgiin hun*. Furthermore, accounts of younger managers indicated that they received moral and business benefits through keeping a close circle with people who share the same locality, through financial support and trust in business. In addition, some accounts indicated that customers tend to be loyal to a brand which originated from a person or company from their home town.

Some narratives of transitional-era managers suggested that their networking circle goes beyond former colleagues or classmates as they have had opportunities to join international non-government organisations like JCI (Junior Chamber International – US-based NGO founded in 1944), or Rotary International (US-based service organisation, founded in 1905). The extensive use of the internet and social media has allowed them to expand their networking locally and internationally. Additionally, some accounts of younger managers acknowledged that the opportunity to study overseas enabled them to create e-networking with fellow Mongolians, who live abroad to access their knowledge.

### **Non-Mongolian managers**

The themes of *to get things done* and *access information* are represented in the accounts of non-Mongolian managers. All participants of this group agreed that Mongolia is a ‘small world’ that relies on inter-linked close circles of personal and professional networks. Many of them highlighted that building a close relationship with existing and potential customers and business-partners is vital to run their businesses in Mongolia and had had similar experiences of managing in other Asian countries. Accounts of those, who had worked in China, shared their observation of the importance of developing an informal network in business deals in both countries. The following account was provided by a Sales Executive, who compared his experiences of networking with Mongolians and the Chinese:

*“Mongolia is a much easier-going environment. It is extremely difficult to link with end-users in China. They have too many middlemen and establishing guanxi takes a lot of time and effort. It is almost impossible for someone, who is travelling for business for a short time. Just after coming here (Mongolia), I was introduced to one of the top business people in Mongolia through one of my friend’s contacts. Then that business person linked me to others. Here, people, especially young business people are much friendlier than the Chinese and share their information and network.”*

(N-6, Private sector, M, 3 years of experience)

Furthermore, some accounts of non-Mongolian managers reiterated the challenge of accessing reliable and updated information in terms of legislation and business statistics. Hence, they admitted that their well-established informal networks come in useful from accessing information to headhunting. All accounts of non-Mongolian managers indicated that their recruitment and selection processes are based on merit rather than nepotism or former colleagues.

### c. Common perspectives on the role of learning and personal development

#### Socialist-era managers

Narratives of socialist-era managers indicated that adopting new skills and keeping pace with a market economy has never been easy. New technologies and working with a younger workforce are identified as their biggest challenges. Consequently, their perspective towards learning and development often reflected the necessity for updating their own skills and knowledge. The following comment illustrated this:

*“You know, kid, that moment you realise that your entire education and work experience have become worthless... (sigh) I was a qualified accountant with nearly 10 years of work experience when my workplace was privatised. After quitting my job, I applied elsewhere and was confident of getting employed immediately. I was wrong and was asked about my knowledge of the international standard of auditing wherever I went. Many of us gave up the profession, and those who managed to stay were given an international auditing handbook with a Mongolian-English dictionary on their first working day.”*

(S-6, Private sector, F, 27 years of experience)

Many of them acknowledged that the need to learn new skills, improve language and technological competency were an inevitable challenge to be employed after the transition period. Numerous participants conceded that the current market economy demands a new set of skills in human resources, marketing and strategy. Most admitted that changing their way of managing or learning a new set of skills, was much harder than they had expected. For all the above reasons, socialist-era managers' approach towards learning and development is centred on themselves.

### Transitional-era managers

Transitional-era managers used the definition of ‘experimental practitioners’ to describe their management approach giving three key reasons. Firstly, those who were in their early 20s at the beginning of the 1990s, said that local universities still had a Soviet curriculum, and what they learnt was not relevant in a transitional economy. Secondly, private business emerged after the 1990s and most of today’s big corporations began as family-run SMEs so they never had the experience of recruitment based on talent, the selection process or performance-related salary. Thirdly, the tremendous changes in local economic growth within the last five to eight years have brought changes in company size, investment level, and portfolio of international clients.

Therefore, their approach to acquiring a new set of skills was described as *learning-by-experience* together with the need for constant improvement. The below account was narrated by the CEO of a successful logistics company:

*“I have an engineering background; I quit my job when my workplace was privatised in 1993 and started my own business from scratch. The last 20 years have been a constant learning curve for me and continues to be so. Running a business is a new expertise in Mongolia. The first few years have been just to survive, pay the bills and salaries. Nobody knew how to run a business, nor was there an institution to teach us. All we had to do was go with the flow and deal with things as they happened and experiment with what works and what does not. Only in the last five years or so, have we started learning about management. I’d like to know more about how others have managed in the local context.”*

(T-10, Private sector, M, 14 years of experience)

Other accounts suggested that their approach towards learning and personal development focuses of *improving their own skills*, in addition to their employees. Practitioners of the

1990s shared their experience of starting their own business in the early 90s either manufacturing small crafts or importing goods from China to resell in the local market. The term of ‘travelling sales-people’, which described the people who travelled to China for goods, emerged in the local vocabulary. Many accounts admitted that the start of their business was through selling goods on the black market which then gradually expanded into a larger enterprise. Thus, many transitional-era managers of the 1990s hold senior posts in today’s Mongolian business community. In addition, their perception of training was akin to the socialist-era managers, who identified that it is for self-development. Those who studied business degrees in the early 90s acknowledged that their degrees were insufficient for running a private business. Also, none of them had any prior business or management experiences. Hence, owners of big national corporations, who were ‘travelling sales-people’, were keen to develop their skills to run a company rather than SMEs. Many of them have recently completed MBA or MA studies abroad, mainly in Western countries.

They all, whether managers from the 90s or 2000s, highlighted the importance of training to improve either their individual skills or employee development to increase their business portfolio. Accounts indicated that there is an increase in hiring specialists to run in-house training.

### **Non-Mongolian managers**

Most narratives of managers in the third group indicated that *improving staff skills* by developing their technical competency was essential for making their business successful in Mongolia. All non-native managers stated that hands on training for their colleagues was part of their daily or weekly routine. The importance of professional training and why non-Mongolian managers need to train their staff was expounded as:

*“Mongolia is a relatively new market economy...There is a lot to learn from international standards and business practices. On the technical side, international financial and auditing standards are obviously new here. Our company has to follow these standards and I need to train my staff from day one.”*

(N-9, Private sector, F, 6 years of experience)

Their accounts suggested that staff training had a positive impact on team building and improved communication between managers and employees although some indicated that there were certain challenges involved. Most non-native managers stated that getting feedback from employees after training or everyone involved in discussion was challenging. A director of an accounting firm shared her training experiences as:

*“My staff are keen to learn new things and I found that Mongolians are fast learners. However, I often struggle to have open discussions with them during and after training. They are very good listeners, but not good at expressing themselves. I do not know whether it is something to do with how they were brought up or that they still see me as their boss rather than as a tutor who is trying to help them.”*

(N-1, Private sector, F, 5 years of experience)

Moreover, non-native participants acknowledged that managing in Mongolia is a steep learning curve and admitted that the local business environment can be unpredictable and volatile. Thus, some accounts stressed the importance of adjusting their managerial approach to the local environment and experimenting or learning from colleagues. An account of the CEO of a multi-national firm illustrated the importance of taking the local context into consideration as:

*“I learn a lot from my staff, especially in customer relations. They know the local attitudes and preferences, which can be the total opposite of a Western mind-set at times.”*



(N-9, Private sector, F, 6 years of experience)

To sum up, the narratives indicated that the common understanding towards learning and development by non-Mongolian managers was focussed on employees' technical skills rather than their own performance. Simultaneously, some accounts stressed that managing in Mongolia required adjusting their managing perspectives and approaches to suit the local context and learn from staff and customers.

#### **d. Shared understanding of the role of communicating in decision-making and negotiation**

##### **Socialist-era managers**

The accounts of older managing practitioners indicated a preference for the *top-down* approach in both decision-making and communication. In many instances managers, who had worked during socialism, defined themselves as '*a generation, who act rather than talk*' to justify their decision-making process. Furthermore, accounts highlighted that decisions should be made by higher authorities or managers, and staff should follow them. The commonly expressed view that involving less people in decision-making was to avoid wasting time and conflict between managers and subordinates. Moreover, some also indicated making decisions in smaller circles protects against confidential information being leaked. The following account illustrated a socialist-era managers' perspective:

*"We grew up in a society, where everyone knew their roles and responsibilities. Letting just anybody make decisions was not something that happened in the socialist time. It has always been a part of our culture and history, listening and respecting elders or chiefs."*

(S-12, Public sector, M, 28 years of experience)

One-way communication and decisions made at a higher level were consistent in the narratives. Some accounts explained their preferred approach as being the ‘parent’ or ‘guardian’ to staff members. Others related it to their experience of having had a mentor or advisor, who guided them with top-down communication. Therefore, their understanding of making decisions and communication suggested significant influences from the traditional social hierarchy of respecting elders, as well as following the autocratic system of the socialist period.

Older managers’ responses regarding negotiation were very similar to their views on decision-making and communication. Two accounts suggested that it is a new skill set that needs to be practised by managers.

### **Transitional-era managers**

The narratives indicated that younger Mongolian practitioners have mixed approaches to decision-making and communication. Some highlighted the preference of the *top-down* approach, which resonated with socialist-era managers’ opinions, and others *involvement* and *discussion*. Interestingly those who work for the public sector, tended to have an autocratic approach regardless of their age or experience. Whereas, eight out of ten participants from the private sector said they welcomed the *sharing of information and knowledge*, and *discussion* amongst colleagues during the decision-making process. Narratives of managers from the 2000s acknowledged that transparency and discussion are important in any decision-making. The below account was from a participant, who leads a local television news team. He shared his experience of keeping communication open with his staff:

*“I could not say that I am really a Mongolian manager, because I am not, as I was educated in Hong Kong and completed my high school in the States. I am honest with my team and our*

*communication is very open. I even share my personal stories and what I am trying to gain from this position. I told them that after three years I will move on to academia and be a media law professor in the future. This kind of information help them to open up and contribute their opinions.”*

(T-14, Private sector, M, 6 years of experience)

Accounts of private sector managers acknowledged the lack of transparency in the communication and bureaucratic process in the public sector. Managers from the public sector pointed out that working under the rigid system in the public or government sector is different from running your own business with a flexible approach. Consequently, an apparent conflict of opinion was noted between public and private sector managers.

Negotiation skills of transitional-era managers were described as ‘*not very sophisticated and tend to be either all or nothing*’ by their non-Mongolian colleagues. Some participants of this group agreed with the above statement as explained by:

*“Negotiation is a very new practice in local business. Personally, I do not think it is possible to negotiate with people from the socialist-era because they are reluctant to put all their cards on the table. For younger managers, again it is something we need to learn. I am learning now but good negotiation involves a lot of ground work.”*

(T-11, Private sector, M, 4 years of experience)

This account illustrated the understanding of negotiation skills by all ages of Mongolian managers. In many narratives, transitional-era managers indicated that negotiation or discussion-based decisions are emerging set of skills as the formal understanding of management relies on the traditional social hierarchy or socialist ideology.

### **Non-Mongolian managers:**

Non-native managers supported the themes of *participative communication* by inviting employees to the decision-making process and *sharing information* with them. In many instances, participants of this group emphasised the value of staff opinion and local knowledge and acknowledged the challenge of achieving this. The following account illustrates:

*“We started up with a very idealistic approach in terms of work environment. We wanted to create a collaborative environment. I learnt that the Western style of communication is probably more indirect and softer. I was criticised for not being strong and blunt. We spent a lot of time listening to staff ideas, but they still wanted us to make the final decisions.”*

(N-2, Private sector, F, 5 years of experience)

Many admitted that they tend to encourage open discussion and staff feedback in decision-making. However, there were some narratives that recognised the challenges in practising a flat communication and negotiation process and shared their observations in relation to the staff preference for being micro managed and directed.

In terms of the negotiation process, participants acknowledged once again the lack of skills from staff and local business partners. Non-Mongolian managers referred to the newly-emerging market economy and the dearth of specialists in the business sector as main factors for an unsophisticated negotiation strategy. The following account illustrated this:

*“Although, it has been 25 years since the collapse of the planned economy, Mongolia is still very young as far as a market economy is concerned. There are many graduates, but not enough experienced people out there. Therefore, we (non-native managers) are challenged by the lack of negotiation procedure in business deals too.”*

(N-5, Private sector, M, 11 years of experience)

Hence, accounts of non-Mongolian managers indicated that the practices of staff-involvement in decision-making, transparency in communication and negotiation are only emerging in local management.

#### **4.4 Contextual influencing factors on the understanding of management**

The narratives of the three groups indicated that their understanding towards the concepts of a manager, management and managerial roles are influenced by various contextual factors, including socio-cultural changes, economic pressure and political institutions. Therefore, this section discusses the contextual influencing factors.

##### **a. Traditional culture and nomadic heritage**

Most Mongolian managers, who participated in this study, were members of their Home Council (non-profit and non-governmental organisation to promote local province). Narratives suggested that both older and younger Mongolian managers prefer to conduct business or work with people from the same province and fund social and cultural activities dedicated to their home town or birth place.

All local managers, who invited me to their office for the interview, had some artefact or painting of a mountain that represented their home province in their office. The painting or artefact had a symbolic and spiritual meaning to the owner, who believed that a mountain blesses those who are born nearby. The photo below was taken in a transitional-era manager's office. He is also the Head of the Home Council of his province:



**Photo 1.** “The Mountain-Moltsog” – placed on the highest shelf in the office of a senior manager (public sector).

Taken by researcher in July, 2015. Ulaanbaatar.

In a traditional cultural context, the nomadic belief of worshipping the Sky and Earth was represented by believing in the divinity of the mountain. This has translated into the family values of respecting elders (chiefs) and looking after descendants (e.g. Humphrey and Sneath, 1999; Wickham-Smith, 2013). Participants used the metaphor of the vista to expand their ideas on what it means to promote their home county and promote networking with people, who share the same locality. Mongolian managers see this as the duty or responsibility of elders to look after ‘descendants’ and favouring *nutgiin hun* is seen as a moral obligation regardless of their age or experience.

Furthermore, many accounts indicated that the collapse of socialism enabled practitioners to help their *nutgiin hun* and acknowledge their birth place without fear of censorship. When the updated Constitution of Mongolia in 1992, guaranteed freedom of speech and religion, national pride and the practice of traditional culture increased more than ever before. The following illustrates:

*“We grew up in the generation of Marxist philosophy and our office walls and homes were decorated with portraits of political leaders. After the 1990s, portraits of Lenin and Sukbaatar were replaced by a painting of my birth-place mountain, sculpture of Chinggis Khaan, and morin huur (a traditional musical instrument). I have always been proud of my ancestors and believed in the deity of my mountain, even during the socialist time. Of course, democracy then allowed us (Mongols) to show our devotion to our home town and be proud of our ancestors.”*

(S-2, Private sector, M, 35 years of experience)

Since the 1990s, national pride has increased and Mongols have again started practising nomadic and religious rituals and take pride in themselves as descendants of Chingis Khaan, who ruled the Mongol Empire in the 13<sup>th</sup> century (e.g. Bruun and Narangoa, 2011; Kaplonski, 2005). Among native practitioners’ narratives, being Mongolian and able to link themselves to the Great Warrior through the concept of a ‘golden thread’, was apparent in the repeated themes of birth place or nomadic heritage and what it means to serve for their local community in their home county.

The analogy of family or parents was one of the most commonly used expressions to describe the relationship with their subordinates among Mongolian participants. Being a ‘parent’ meant to guide and advise, whilst it also meant to practice one-way communication and make

decisions for some. Schein (1985; 2010) suggested that appropriate human activity is behaving in a way acceptable to society and group members to achieve harmony and develop ways which benefit everybody. For Mongolian managers behaving appropriately is related to their customs, inheritance, ancestors and history and most of all to their homeland.

Evidence of how native practitioners pride themselves on their nomadic heritage was keeping an artefact, which has a symbolic and spiritual meaning to them. In many instances, Mongolian participants have not only a painting of their birth-place, but also objects which symbolise their local heritage.



**Photo 2.** “Office décor” represents: 1) Morin khuur – the horse-head fiddle, a traditional Mongolian bowed stringed instrument with sacred blue silk strings (hadag); 2) Gerege –



Golden plaque or excellence of recognition, which is adapted from the badge of authority from Chinggis Khaan's time; 3) Photo of birth-place, and 4) Chinggis Khaan's carved marble structure with his aphorism engraved.

Taken by researcher in July, 2015. Ulaanbaatar.

The above photo illustrates how Mongolian participants value their own traditional heritage and nomadic legacy. Although not all had several items to represent the concept of 'golden thread' or 'birth-place', all of them had at least one traditional article in their office, which referred to their nomadic identity. The rise of national culture since the 1990s has made Mongols proud of their identity and heritage, which has been interpreted into their understanding of leadership, networking and decision-making.

#### **b. Influence of the socialist legacy**

Socialism brought industrialisation to Mongolia and played a significant role in shaping the employer and employee relationship in modern terms. Narratives of managers from the first group, romanticised the socialist era as a 'golden time', when things were better and simpler due to 'impeccable' planning. The narratives suggested that people in socialist Mongolian society had higher morals and everyone had benefited from government-funded healthcare and educational systems. Most of the first cohort emphasised their experiences of training and working during a planned economy, which had affected their understanding of management and managerial roles today. Moreover, participants in the second group highlighted the influence of the previous economy in relation to leading, communicating and negotiating. Similarly, non-Mongolian managers shared their experience in observing that the legacy of socialism is more than mere history in local managing practices. Consequently, participants from all three groups agreed that the legacy of socialism is apparent in contemporary management understanding in Mongolia.

The first theme discussed was related to the socialist legacy of *hamt olon* (co-workers) or *collegial culture*. Older managers' experience of working under a mentor and developing a relationship with their employees created the third largest informal network in Mongolia. Dalaibuyan (2012) noted that during socialism, workplaces were the place to develop communist principles and collective ethics and *hamt olon* played a key role. Accounts of all three groups of managers stated that maintaining a good relationship at work is important even if each group's approach to balancing internal relationships differed. Some of the first group shared their experience of organising an 'Employees' day', an event dedicated to honouring contributions from retired staff members, as well encouraging younger colleagues to learn from their predecessor's expert knowledge. Some accounts acknowledged that the level of respect for senior staff was higher in socialist times, as the traditional social hierarchy was based on honouring chiefs and elders.

Moreover, accounts indicated that honouring the leaders of a political party and heads of an organisation was a popular practice during socialism. State-owned enterprises still display portraits of their principals. The photo below shows pictures of managers from the socialist era beside the current ones on the wall in the foyer of a public organisation.



**Photo 3.** “List of Leaders of the organisation before and after 1990”: 1) the logo was inspired by the flag and coloured red. The name of the organisation is written in Cyrillic, followed by the list of leaders of the socialist period; and 2) As above, the name is written in Mongolian classic square scrip, which originated in 1269 and was declared the state language during the Yuan dynasty, followed by a list of managers since 1990.

Taken by researcher in July, 2015. Ulaanbaatar.

The emphasis on a collegial culture occurred again in the narratives of transitional era managers, who agreed that keeping a positive atmosphere in the work place is important. Some younger managers suggested that this was inherited from the socialist idea of being treated equally and everybody being expected to participate in social activities organised by the company. However, their idea of organising extra-curricular activities was focused more on current rather than retired staff compared to socialist-era managers. Similarly, non-Mongolian managers also indicated that local employees tend to socialise with colleagues and expect managers to organise informal activities for their staff. Moreover, they shared their perception of promoting a collegial culture as;

*“I worked in India before, and we also used to run staff social gatherings. The difference in Mongolia is, when we have a staff party, nobody brings their family. I do not know whether it is a cultural thing, but at times, it seems people spend more time with their colleagues than their friends and family. Also, companies (foreign) are judged by how many activities they organise for their staff. It is almost seen as a code of conduct here.”*

(N-8, Private sector, F, 6 years of experience)

All three groups of managers indicated that promoting a collegial culture is a managerial duty in Mongolia. The first and second groups of managers also highlighted that the influence of a socialist work culture is still evident in today's work places.

Other themes relating to the influence of socialism were an *autocratic leadership approach* and the *bureaucratic nature* of public organisations. Managers from the socialist-era referred to where they were professionally trained and worked as having influenced their management approach. During socialism, *darga*, *pl. darguud* became the power term of leaders in collective farms (*negdel*), organisations and institutions (*alban baiguullaga*) and they were described as ‘masters of urban landscapes’ (Zimmerman, 2012: 84). The decision-making, planning and controlling of the budget were all state-controlled (Bruun and Narangoa, 2011). Therefore, in many instances, participants acknowledged that an organisation benefited from strong leadership with authority and command. While they conceded that these are not necessarily the best characteristics, all of them agreed that a good leader should aim for the common good, which shows the egalitarian value of socialism.

At the same time, some managers from the transitional era invoked the idea that the employees' perception of a strong leader is often related to power, as well as being looked after. Younger participants indicated that the paternalistic approach preferred by locals in the business and education sectors was directly influenced by socialism. Others, especially

younger managers, referred to historical figures, such as kings and warriors from their nomadic heritage. Non-Mongolian managers' accounts agreed that their employees preferred being directed and advised, even though they did not specifically connect this to socialist behaviour or a traditional society.

Participants of all three groups acknowledged the *bureaucratic nature* of public organisations in Mongolia. Concerns about policy-makers in government sectors were mostly from managers, who had trained during or were influenced by socialism. Older practitioners, who had experience of working for both the private and public sector, described public sector bureaucracy as:

*“The approaches of managers from the public sector are related to their system, not their personality. When I worked for the Ministry, I had to follow the instructions of my Head of Department and the government sector has not altered since the socialist period, and it will take a long time to change.”*

(S-9, Public sector, M, 21 years of experience)

Accounts of local practitioners indicated that those, who were junior managers during socialism now hold the most senior positions in private and public sectors and are the key executives in local and central government. Thus, the legacy of socialism in government institutions was more significant among public sector managers compare to private sectors.

### **c. Economic pressure**

Narratives indicated that the country's transition from a planned to a market economy brought both opportunities and challenges for local managers. They shared their perspectives on how a market economy supports the growth of the private sector and how this puts

pressure on managers. The key points were *keeping pace with the speed* of growth in the local economy, followed by *meeting the expectations of* local and international partners due to the lack of technical competency and a skilled workforce.

Following the rapid growth in the local economy due to the mining boom and foreign direct investment, the private sector has grown significantly in the last 25 years. Today it has become the biggest contributor to the local economy comprising 116,900 companies employing 65% of the workforce and generating 56 percent of local GDP (National Statistical Office, 2015). Most private businesses in Mongolia started as small, family-run enterprises employing relatives. Nearly all participants from the private sector were former ‘travelling sales people’ in the 1990s. Their narratives suggested that starting their own business was a battle to survive as they were thrown in at the deep end without instruction or training in relation to business or management. However, those who did survive have become industry leaders today and are enjoying an increased market share and consumer spending power. In 2014, Mongolian companies were listed on the Hong Kong stock exchange for the first time in the country’s history (Mongolian Economic Forum, 2014).

Narratives of all three groups suggested that the speed of growth in the local economy since 2008 is astounding. The upturn in the economy is largely dependent on global commodity prices and foreign direct investment yet the local business environment is more uncertain and volatile than ever before. A senior manager of the Mongolian Stock Exchange stated:

*“In 2010, we (the Mongolian Stock Exchange) were the best performing exchange in the world with share prices that increased by 121% within a quarter of the year, and in 2011, we increased our profit by 70%. Obviously, there is still huge interest from investors to work with local companies. Many potential investors have high expectations of their local partners and observe existing companies. It means we need to fast-track ourselves into international standards to keep up with the global market. Easy to say, but we are working at it.”*

(T-13, Public sector, M, 16 years of experience)

The account acknowledged the pressure of adapting to international standards to attract more foreign direct investment, as well as promoting local firms to the global market place.

Finding a *skilled workforce*, that has sound knowledge and experience of the current market development was identified as a challenge for all three groups. Participants from the second and third groups emphasized the importance of staff training in order to improve employees' technical skills and some considered that they had become an instructor for their firms. On the other hand, accounts of socialist-era managers indicated that they tend to hire consultancies to run in-house training. In many instances, participants of transitional era and non-Mongolian managers highlighted the large shortfall of adequately trained and experienced staff. Non-native managers shared their experience of being let down by the gap between an impressive resume and the lack of practical expertise in their job applicants. A younger transitional-era manager, who was appointed CEO in one of the largest firms in Mongolia after spending several years working for a multi-national company overseas, shared his first year of experience of working with locals as;

*"I am privileged to be appointed to one of the most prestigious posts in the country at such a young age. This chance will happen only in Mongolia. On my first day, I had a meeting with my senior managers, and asked them to prepare project ideas within a week. After a week, nobody submitted a thing. I am talking about senior staff, not clerks, you know. It was a culture shock for me. Then, I realised that they did not know how to. So, I had to hire skilled people or at least people, who could be trained."*

(T-5, Private sector, M, 11 years of experience)

In most narratives, participants questioned the quality of local universities and addressed the demand for a skilled workforce, who are competent to start working immediately rather than needing training after being hired. Some non-native managers highlighted the increasing

number of overseas graduates in the local workforce but also commented that many of them still lack practical experience. Consequently, participants emphasised the importance of work experience and personality over qualifications and addressed that skilled individuals are highly sought after in the local job market. Narratives indicated that the country's open border policy since the 1990s has allowed international experts and management consultants in, as well as enabling local managers to travel abroad to attend training and seminars.

Furthermore, many accounts indicated that the rapid growth in the local economy has proved a challenge to many local firms, which have employed close relatives or *nutgiin hun* over the years. Older transitional-era managers admitted that they had to employ skilled workers from outside of their close network to manage larger companies. Narratives suggested that many practitioners faced the challenge of retaining qualified staff and learning human resource techniques for the first time in their career. Younger managers highlighted the inevitable demand of hiring staff with language and international business skills due to the increase in working with international organisations and projects.

In addition, narratives suggested that adapting international standards to local businesses and services came as another challenge because of the market economy. All managers agreed that the speed of change in relation to consumer behaviour, technological advancement and expectation from investors was a problem. They highlighted the need to adapt international standards into their business services including marketing, sales or recruitment plans. Simultaneously, they accepted that the speed of learning varied for each employee and admitted that it was not an easy process.

The photos below illustrate how socialist and transitional-era managers' perspectives differ in adapting to the new way of managing through representation of their office structures:





**Photo 4.** “Office of socialist-era manager”: decorative, meeting table and chairs.

Taken by researcher in August, 2015. Ulaanbaatar.



**Photo 5.** “Office of transitional-era manager”: open-space and no wall between employees.

Taken by researcher in July, 2015. Ulaanbaatar.

#### **d. Influences from political institutions**

In the narratives, local managers emphasised the influence of local government and legal institutions in negative and positive ways. They stressed that the impact of *frequent changes in forming the parliament* and *legal framework* have a negative impact in the business environment. On the other hand, many narratives indicated that local practitioners gain some advantage by *taking an active role* in local politics.

In regard to negative impacts of local formal institutions, three main issues were addressed in the narratives. Firstly, all three groups agreed that constant changes in forming the central government and the dispute over electing the Prime Minister have a detrimental effect because of the uncertainty and negativity for local businesses, as well as for prospective investors. In relation to political uncertainty, local practitioners related their *poor planning practices* to instability in the legal framework. According to participants, businesses are unable to make long-term plans as after each general election key laws and legislations are subject to change depending on the winning political party's manifesto. At the same time, the change does not only affect existing ministerial posts as most civil servants' jobs in local authorities are also subject to be replaced. Thus, in many instances, participants agreed that due to political uncertainty, businesses have short-term goals and managers do not forward plan in any great detail. Therefore, most narratives stressed that their business plans tend to be based on the current situation rather than the predicted future. The following account of a socialist-era manager illustrated the frequent changes in local parliament as:

*"I do remember my grandmother used to say "I was lucky to see two governments in my lifetime". Look at us now. Having 2-3 parliaments within 4 years is common in Mongolia. It is not something we should be proud of. The whole uncertainty of government pushes us (managers) to take an active role in politics to run our businesses because we cannot trust them (politicians)."*

(S-8, Private sector, F, 30 years of experience)

The above account described the performance of the parliament led by the Democratic Party between 2012 and 2016, and many narratives expressed their frustration over an inconsistent parliament and changes in parliamentary posts.

The second concern addressed pertaining to the negative influence of political institutions was the frequent changes in key laws and legislation either by adding new clauses or altering it entirely. Consequently, participants admitted that local businesses are becoming averse to risk in expansion or investment. Furthermore, the narratives of all three groups emphasised inconsistency and inefficiency in key legislation including the enactment of the Strategic Entities Foreign Direct Investment Law (SEFIL) which was amended in 2012 and proved disastrous for local firms. This introduced new laws in ‘Forests and Water’ and ‘Nuclear Energy’ which had an adverse effect on local economic performance by revoking hundreds of mining licenses. Businesses that were reliant on the mining industry are now waiting for the next government’s strategies in foreign direct investment and mining legislation. It has resulted in a 50 percent decrease in local GDP compared to 2014 and foreign direct investment has plummeted by 58% in 2015 compared to 2011 (Bank of Mongolia, 2015).

The third issue highlighted was the over involvement of local authorities in business activities by either controlling the pricing strategy or discouraging market competition. The statement below was provided by the CEO of one of the largest groups in Mongolia and he highlighted how the issue of competing with state-owned enterprises is becoming a challenge for privately-owned businesses;

*“The government gets too involved in business in Mongolia, and sometimes I think they are trying to introduce a monopoly like during socialism, which is frightening. One example, they just exempted their (state-owned) airline from tax last week. How can other private airlines compete? It is not economic market policy. The reason is that they have personal and*

*economic interests in certain companies and it is in their interest to kill the competition in the market.”*

(T-3, Private sector, M, 18 years of experience)

Many accounts were in a similar tone stating that it is common in Mongolia to find there is either one or a group of politicians behind a successful business. Specifically, those who are connected on a political level have more access to information and opportunities for foreign aid, projects or loans. Simultaneously, some addressed that the level of corruption in local business deals in securing larger projects is increasingly high. The following account by a non-Mongolian manager, who worked for a state-owned enterprise, illustrated this point:

*“I was the Chief Financial Officer for Z for 15 months, which was without a doubt the most frustrating time in my entire career, because of the dysfunctional nature of management, completely dysfunctional. My feeling is that pretty much most of the state-owned enterprises in Mongolia are run by mostly political appointees and very corrupt. They are supposed to be run by people who have strong business knowledge. (...) It is all about keeping their political master happy, irrespective of whether the business fails or succeeds.”*

(N-5, Private sector, M, 11 years of experience)

Although not many participants addressed the issue of corruption, few, who did emphasise that it is on the increase in both the public and private sectors in Mongolia.

Moving on from the negative impacts of political institutions, participants acknowledged that they gain certain advantages by taking active roles in local politics.

Referring to Table 3.2 ‘Sampling – Three groups of managers in Mongolia’, 18 out of 26 Mongolian managers were members of one of the major political parties. All nine non-Mongolian managers said they had no formal involvement in local political institutions, however, they did acknowledge that their networking circles include business people, who are members of political parties, as well as some senior politicians.

Narratives of the first and second groups indicated that the rationale of getting involved in political activities differed between the two generations. Transitional-era managers considered that getting involved in politics was a necessity to counteract the unstable environment. However, some aspects of the narratives, as well as prior literature indicated that business leaders can gain an advantage through political activity. Participants, who are members of political parties, suggested that keeping an active presence allowed them to express their opinion and influence upcoming legislation. By contrast, accounts of socialist-era managers suggested that becoming a member of the Mongolian Peoples’ Revolutionary Party was an honour during socialism and therefore to them it meant respect and entitlement.

Younger participants further explained that active involvement in politics enables them to share business knowledge in emerging laws and policies, as well as lobbying politicians. A younger transitional-era manager, who is the CEO of an investment group, explained his political involvement to share his expert knowledge in certain areas of financial regulations as;

*“Financial terms of IPO and stock exchange have just been introduced in Mongolia. We do not have many experts in this field apart from a few who have had overseas experience. Hence, creating related laws and legislation should be a collaborative agreement between politicians and business people, and benefit the whole business community and country”.*

(T-5, Private sector, M, 11 years of experience)

Dalaibuyan’s (2012) study about informal networks in Mongolian society found that the country ranks the highest amongst former Soviet countries by their political initiatives and

number of political parties. Whether the need for active political involvement is for honour and duty or sharing knowledge and lobbying, Mongolian managers have a solid presence in local political activities and strong links with local government officials. Simultaneously, non-native managers accepted that professional links with officials had a positive impact on their businesses.

To sum up, the narratives indicated that local political institutions and managing practitioners influence each other recursively. The inconsistency of local parliament, frequent changes in key legislation and involvement of local authorities in business activities are disadvantageous for local firms' strategic planning and competitiveness. On the other hand, narratives of participants suggested that getting involved in political activities and networking with senior officials enables them to access resources and influence upcoming laws and legislation.

#### **4.5 Summary of managing in Mongolia**

This chapter presented the empirical material of this study and introduced local managing practitioners and their understanding towards the concepts of a manager [5.1], notion of management [5.2], common approaches towards managerial roles [5.3], followed by the contextual influencing factors [5.4].

The context of this study indicated that the concept of management is an emergent topic and field in Mongolia. Hence, it introduced practitioners, whose narratives and experiences played a key part to construct the understanding of management in the local context. Based on the criteria of age, commencement of managerial experience, formal training and involvement in social and political activities, practitioners divided themselves into three distinct groups of *socialist-era*, *transitional-era* and *non-native* managers.

Their understanding of the concept of a manager was based on the roles and responsibilities of an individual practitioner. However, the actual terms used to define who a manager was

differed. Definitions provided by each group were directly influenced by the socio-economic circumstances relating to where the individual commenced their management experience. Socialist-era managers defined a manager as being the *chief, head* or *guardian* in the organisation. Transitional-era managers emphasised business activities by describing the manager as a *business owner, boss* or *businessman*. On the other hand, non-native practitioners highlighted the importance of both *business and people development*. All younger Mongolian managers had studied business and management related degrees locally or overseas, as opposed to the qualifications of older practitioners, which were mostly technical related. Non-native managers' qualifications ranged from a business apprenticeship to a college education.

The understanding of management was comparable in all three groups as each participant built their definition on their notion of a manager. Socialist-era managers cited *looking after people* by developing kinship relations with colleagues and the metaphor of family. Transitional-era managers defined management as an activity to *look after the business*. Non-Mongolian managers highlighted the importance of both *business and people development* as being equally important for the strategic growth of the company.

Participants' narratives suggested that managers have four main roles of *networking, leadership, personal development* and *decision-making and negotiation*. In general, their understanding was again shaped by their formal training and the prevailing socio-economic conditions. Socialist-era managers felt that leading highlighted the importance of kinship relations with employees through *parenting* (guarding or looking after) and *controlling* (subordinates are expected to obey). Also, narratives of older practitioners indicated their preference of a *top to down* approach in communicating, as well as imposing *authority* in making decisions. Transitional-era managers emphasised the use of *fear, pressure*, or *empowerment* in their leadership and highlighted the importance of being flexible in managerial roles. Their narratives suggested that their common approach to communication and decision-making was *top-down* in conjunction with the *sharing of information*.

Interestingly, transitional-era managers shared more common understanding with non-Mongolian managers in conducting business, but had similar opinions with socialist-era managers with regard to dealing with people. The common approach of non-native managers focussed on developing both business and people by encouraging *empowerment*, *flat communication* and *transparency*. However, some accounts indicated that they had been ‘forced’ to modify their approach from empowerment to control due to the local preference.

Apart from the differences in their common approaches in managerial roles, practitioners shared similar perspectives in others, which included networking and learning and development. All narratives supported the idea of accomplishing tasks and accessing information through their formal and informal networks. All Mongolian participants had the shared perception of *looking after ‘nutgiin hun’*. Everyone acknowledged that they spend time on learning and development as a part of their daily remit, however the approach differed between younger and older participants. Socialist-era managers’ perception focussed on *self-improvement* compared to younger Mongolian and non-Mongolian managers, who emphasised *staff training and development*.

Following the participants’ understanding of the concepts of a manager, management, and managerial roles, the last section explored the contextual influencing factors. The empirical material used narratives of all three groups, field notes, and photographs to illustrate them. *National culture*, *a socialist legacy*, *economic pressure* and *political institutions* were identified as key factors.

The first influence which emerged in the narratives of Mongolian managers was the role of culture and a nomadic heritage. The transition from a planned to a market economy in 1990 brought both opportunities and challenges for local managers. Some of the biggest opportunities came from the amended Constitution of Mongolia in 1992 guaranteeing the freedom of religion, speech and travel. Hence, Mongolian managers were given the opening to complete their moral duties for their home county and ancestors. Narratives indicated that



most native participants were a member of their Home Council, and favour their *nutgiin hun*. Many had an artefact that represented their *birthplace* or *home town* or *nomadic cultural heritage* in their office. This is explained through the metaphor of a *golden thread*, whereby Mongolians see themselves as descendants of great kings or warriors with the duty of looking after their family members or people from the same place.

The role of a socialist legacy was identified as another main influence. The presence of a socialist society, education and training in contemporary management understanding and approaches was acknowledged by not only the older participants, but also supported by all three groups of managers. The existence of a *collegial culture*, an *autocratic* leadership approach and high *bureaucracy* in both public and private firms emerged as examples. Everybody highlighted the importance of collegial culture through promoting mutual understanding between managers and colleagues. However, each group shared their experience of practising it in slightly different styles. Accounts of older managers suggested that the emphasis is on honouring the contributions of former colleagues and encouraging the younger generation to learn from their knowledge. Transitional-era and non-Mongolian managers focussed on current staff and their professional development. Most participants, including non-native managers, recognised the local employees' preference for *being directed and guided*, which is supported by the older managers' view of *mentoring* or *guardianship*. Finally, the *bureaucratic nature* of public organisations or local authorities was mentioned.

Economic pressure was another major influencing factor. Entry into a market economy and mining-related foreign direct investment has changed the local business scenario from no income to multi-billion USD projects, unemployment to high employment and local customers to international clients. In the narratives, participants stressed that the economic growth had brought the challenges of *keeping pace* with economic growth and being *expected to deliver international standard services with local resources*. Practitioners acknowledged that they had been stretched by a limited skilled workforce, whilst the local economy had enjoyed business growth mainly due to cash flow from foreign investments. Accounts of the

second and third cohorts acknowledged that finding qualified and experienced specialists had become one of their main challenges despite thousands of potential employees graduating each year from local and overseas universities. Hence, most participants shared the experience that managing in Mongolia required constant learning and micro managing.

The final influencing factor in practitioners' narratives was the influence of political institutions. Accounts indicated that the underperformance of the government created uncertainty in the business environment. Furthermore, the *over-involvement of local authorities in business activities* was not viewed favourably by private companies and many practitioners highlighted the potential impact of discouraging competition between private and state-owned enterprises. Non-Mongolian managers' accounts drew attention to foreign investors being deterred by the government's inconsistency in legal policies which has resulted in the growth of the local economy being halved. Some commented on the *practice of corruption* in businesses and political parties.

Participants suggested that they were compelled *to be inside the political circle* to protect their business by becoming a member of a major political party, however, some narratives indicated that this could prove advantageous. Thus, most Mongolian participants were members of one of the main political parties and explained their motive for it as an honour to be involved in the country's future decisions or suggested they were keen to share their expert knowledge in creating new legislation. Some accounts indicated, as well as suggested by prior literature, that business people benefit from being in the inner political circle and being able to influence decisions.

## CHAPTER FIVE: 'WHAT IS MONGOLIAN MANAGEMENT'

### Chapter overview

Following participants' understanding of management, manager and managerial roles, and the contextual influencing factors, this chapter expands the empirical presentation with theoretical discussions. By theorising the empirical material within selected conceptual frameworks, this chapter aims to answer the main research question of 'what are the understandings of management in the Mongolian context?' Furthermore, it questions the suitability of pre-developed theoretical frameworks in relation to the notion of management in Western and non-Western contexts, followed by examining the various contextual influencing factors to construct the integrated framework encompassing the Mongolian approach to management.

Narratives of participants supported the view that management is a context dependent activity, a notion widely supported by scholars in cross-cultural management (e.g. Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999), indigenous management (e.g. Holtbrügge, 2013; Tsui, 2004), institutional theories (Holmes et al., 2013) and varieties of capitalism (Drahokoupil and Myant, 2015; Friel, 2011). Within the studies of cross cultural and indigenous management, context is used to represent the national culture and its relationship to management and organisational behaviour. Studies of varieties of capitalism placed emphasis on institutional aspects and how they were connected to management and business practices (e.g. North, 1991; Scott, 2013). However, the empirical findings of this study suggest that all influences should be taken into consideration and analysed together rather than separately to understand management in the given context. Therefore, this chapter analyses the crossvergent nature of local management by drawing attention to the co-existing convergent and divergent views in participants' approaches within the local socio-cultural, economic and political context. The chapter concludes with the challenges of defining Mongolian management by indicating the co-existing arguments from indigenous

management and the influence of the socialist period. It draws a conclusion on the integrated framework of the Mongolian approach to demonstrate the reactive nature of management at this time.

The empirical material discussion chapter is divided into four sections of i) Discussion on the understanding of the concept of management, ii) Contextual influencing factors, iii) Mongolian approaches to management and the challenges of defining the local understanding of management, and iv) Conclusion, which provides the conceptual and empirical contributions to this study.

Each section discusses the empirical findings alongside the controversies identified in the literature review chapter. In the first section, participants' shared understandings of the concepts of a manager, management, and managerial roles are explored with theoretical underpinnings on the nature of managerial work (e.g. Mintzberg, 1973; 2009), notion of emergent manager (e.g. Watson, 2013a; 2013b; Watson and Harris, 1999) and managers in SMEs (e.g. Down, 2012). Additionally, their common approach towards networking and kinship relations are discussed within the literature on indigenous management concepts (e.g. Holtbrügge, 2013; Jackson, 2013; Minbaeva and Muratkbekova-Touron, 2013; Tsui, 2004).

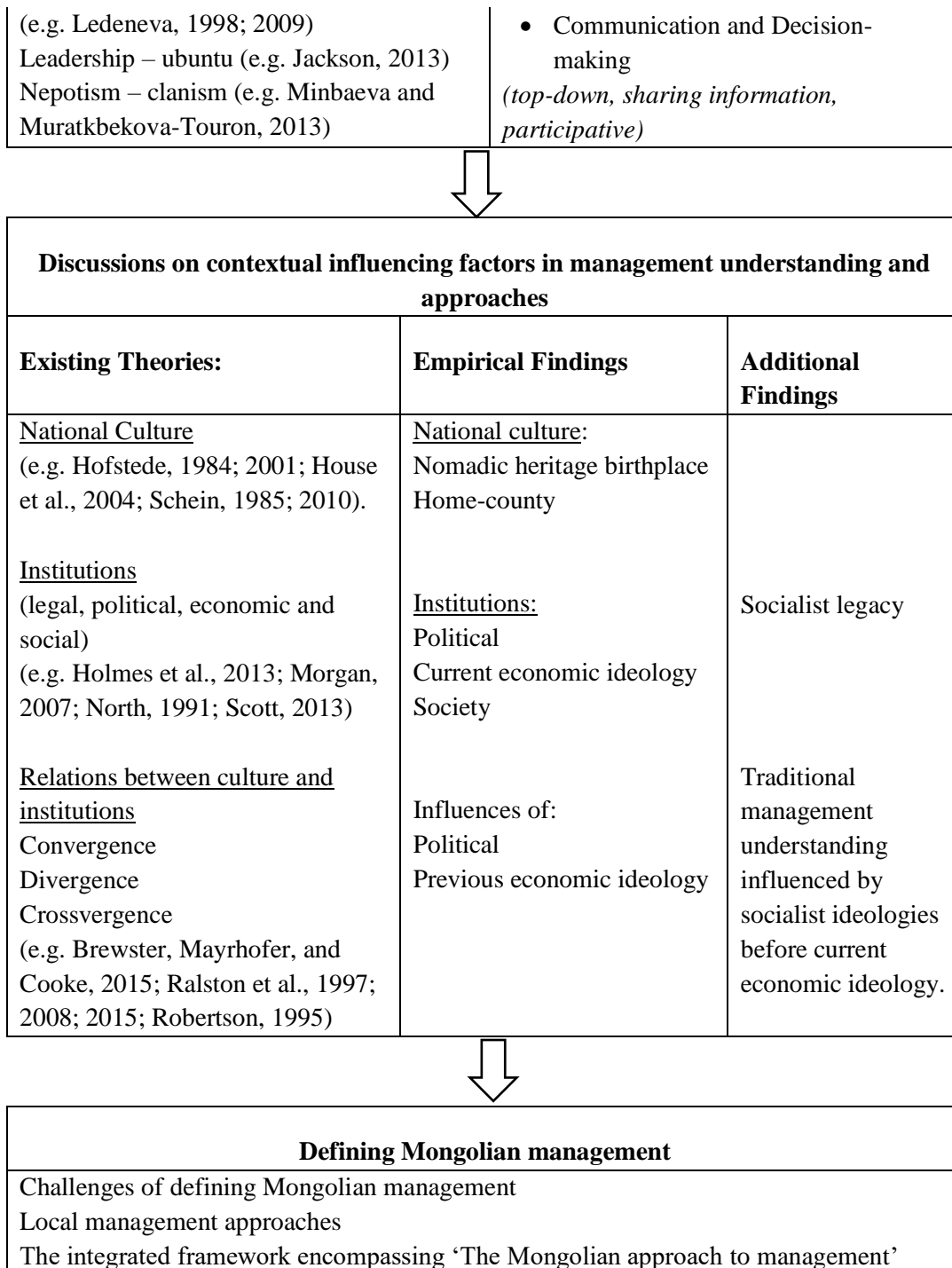
In the second section, narratives concerning contextual influencing factors on comprehending local management are discussed in conjunction with theories of culture and basic assumptions (e.g. Schein, 1985; 2010), institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013), and varieties of capitalism (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007) to demonstrate the roles of culture and institutions. In addition, theories of convergence, divergence and crossvergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Ralston et al., 1997; 2008; 2015; Robertson, 1995) are reviewed to bridge the cultural influences and institutional impacts. The additional theme of a socialist legacy in participants' accounts was explored through studies of transitional economies (e.g. Drahokoupil and Myant, 2015).

The third section discusses the challenges of defining Mongolian management by identifying the complex and intertwining nature of contextual influences in local practitioners' understanding and the limitations of pre-developed academic theories to support the main research question. As a concluding remark, this section presents the integrated framework encompassing 'the Mongolian approach to management' to answer the main research question.

The final section highlights the conceptual and empirical contributions of this study.

The table below presents the key themes discussed in the empirical findings and the supporting theoretical framework that is going to be discussed in this chapter.

<b>Discussions on understanding the concepts of management</b>	
<b>Theoretical Discussions:</b>	<b>Empirical Findings:</b>
<b>Understanding the concept of a Manager</b> Person responsible for whole organisation (e.g. Mintzberg, 1973; 2009) Planner and learner (e.g. Watson and Harris, 1999; Watson, 2013a; 2013b)	<i>Parent, Head, Guardian;            Boss, Owner, Business person;            Business and People Developer</i>
<b>Understanding of the notion of Management</b> Getting results (e.g. Mintzberg, 1973; 2009) Ongoing process (e.g. Down, 2012; Watson and Harris, 1999; Watson, 2013a; 2013b)	Looking after People; Looking after Business; Looking after Business and People
<b>Understanding the concept of Managerial Roles</b> <u>Western contexts:</u> Three planes: information, people, and action with roles of communicating, controlling, leading, linking, doing and dealing (e.g. Mintzberg, 1973; 2009; Watson, 2013a; 2013b). <u>Non-Western contexts:</u> Networking – guanxi (e.g. Tsui, 2004), blat	<ul style="list-style-type: none"> <li>• Leading (<i>parenting, controlling, fearing, pressurising, empowering</i>)</li> <li>• Networking (<i>getting things done, accessing information, looking after nutgiin hun</i>)</li> <li>• Training and Development (<i>improving own management and entrepreneurial skills, improving staff skills</i>)</li> </ul>



**Table 5.1** ‘Summary of key themes in empirical material and supporting theories’

Throughout the chapter participants’ voices are acknowledged together with the discussion of theoretical references.

## **5.1 Discussions on understanding the concept of management**

This section discusses the three groups of participants' narratives about who is a manager, what management entails and which roles managers have with theoretical references reflecting the management understandings in both Western and non-Western contexts.

### **Exploring who a manager is**

The first theme investigated in examining the concept of management among participants was their own idea of who a manager is and how their understanding came through. Although the exact definition of the notion of a manager differed among the three groups, the main emphasis was placed on roles and responsibilities by individuals. These varied consistent with their experience of formal training, and the socio-economic situation at the start of their career.

Examining the notion of a manager through roles and responsibilities is not a new topic in traditional Western-developed management literature. Starting from the notion of 'controller' (Stewart, 1976: 4) or 'fixer' (Reed, 1984: 5), the concept of a manager was defined through an individual's roles and responsibilities in classic management literature, such as 'orchestral conductor' (Drucker, 1964: 162) or chameleon (Goleman, 2000). Similarly, Mintzberg (1973; 2009) argued that a manager is responsible for the whole organisation and is required to act in line with the organisational needs and demands. Furthermore, he emphasised that the role of a manager is influential in creating organisational culture, and defined a manager as an 'energy centre of unit culture' (Mintzberg, 2009: 69). Watson and Harris (1999) argued that becoming a manager is an 'emergent process' (1999: 57) through an individual's own progress in and outside of the organisation. Therefore, examining the notion of a manager needs to look beyond an organisational context. This study found that a practitioner's understanding of the concept of a manager was influenced by circumstances in and outside of

organisational contexts including experiences of formal training, political and economic conditions at the start of their career, as well as social and cultural influences.

Firstly, participants' perspectives were inspired by their personal experiences of upbringing, education and culture, as well as the professional influences of their formal training and workplace. *Chief*, *Head* or *Guardian* and *Parent* were popular expressions used in the narratives of older contributors. Being a *head* or *chief* may represent the role of manager, whose position is above others (e.g. Stewart, 1976) or to oversee an organisation (e.g. Mintzberg, 1973; 2009). Their narratives indicated that their understanding of a manager went beyond functions within an organisation and were related to their responsibilities to 'look after' or 'guard' subordinates outside of the work context by advising them and developing a 'family-tie' relationship with colleagues. Many practitioners shared their experience of still maintaining close contact through friendship with their mentors. Moreover, many linked their job of being a *guardian* or *parent* to their traditional upbringing of being guided by their elders. Therefore, empirical findings supported Watson and Harris' (1999) argument that the role of an individual's experiences and 'feelings' are important to examine the notion of a manager.

Furthermore, narratives indicated the strong influence of social expectations and norms in their definition of a manager. Although, the three groups' definitions differed by words, they shared a common understanding on how their previous and existing experiences in a specific society have shaped their style of management. For instance, socialist-era managers defined themselves as a '*Red Socialist manager*'. They elaborated that the understanding of a manager during socialism was the expectation to be a role model to subordinates by displaying a high moral and outstanding performance in everything. Additionally, the narratives suggested that educational results were linked to management performance and managers or masters generally had better qualifications than their sub-ordinates. On the same note, transitional-era managers defined themselves as a '*business developer*'. Their perspective of a manager was as the main person, who is responsible for developing the



business. Many of them recounted that the idea of a business developer came from their personal experience of why making a profit took precedence over other business activities including staff development or being a ‘parent’ to colleagues. During the transitional period after socialism their core responsibility had been to ensure that the business survived. Non-Mongolian managers had similar views to younger Mongolian managers, whose understanding had been shaped by current socio-economic issues, as well as personal views. Non-native managers defined themselves as a ‘*business and people developer*’. They shared their reason for coming to Mongolia as the rising business opportunities and to succeed they needed a workforce, which was competent in local and international commercial trading.

Examining practitioners’ understandings of the concept of a manager with theoretical discussions has led to several concluding points. Firstly, the traditional approach of defining a manager by their main roles and responsibilities (e.g. Drucker, 1964; Goleman, 2000; Mintzberg, 1973; 2009) was valid in this study. Practitioners defined themselves as a parent, guardian, business owner or developer as an element of their role and responsibilities.

Furthermore, the empirical material supports the argument that becoming a manager is ‘an ongoing process’ and it is both a professional and personal development (e.g. Watson and Harris, 1999; Mintzberg, 1973; 2009; Watson, 2013a; 2013b). Empirical findings demonstrated that participants’ perceptions were influenced by their formal training and previous work experience in either the public or private sector. Therefore, their shared experiences and narratives indicated that the manager is a person, who performs different activities dependent on the prevailing situation. Also, most accounts suggested that being a manager, also means learning new skills or improving their own expertise by learning-by-experience.

In addition, the influence of personal experiences played a major role in shaping their understanding either through growing up in a certain society or being trained during a

socialist or market economy. The role of individual experience and ‘feelings’ has been examined in some ethnographic management studies (e.g. Kociatkiewicz and Kostera, 2012; 2015; Watson, 2013a; 2013b; Watson and Harris, 1999). Native managers were influenced by their traditional nomadic culture of looking after their descendants by becoming a mentor, with whom they formed a bonding relationship. The role of traditional culture was emphasised in their narratives by recalling their ancestral lineage or symbolising the relationship with the place where they were born.

Finally, empirical findings indicated an additional influence for examining the notion of a manager through the role of social expectations and the norms of the current society to individual practitioners. Socialist-era managers emphasised the importance of having a high moral and professional achievement due to the expectations of a socialist society. All Mongolian managers saw their duty to serve their local county as obligatory within the current social customs. The country’s 21 provincial municipalities and their several districts have a Home Council, or ‘*Nutgiin Zovlol*’, a voluntary-run association with the purpose of promoting and developing the local society. Each *Nutgiin Zovlol* relies on support from businesses and individuals, who share the same locality and many accounts indicated that it is considered a duty to support that association, as well as showing respect to their ancestors. Hence, the local practitioners’ understanding of the notion of a manager is influenced by roles (e.g. Goleman, 2000; Stewart, 1976), responsibilities within an organisation (e.g. Drucker, 1964; Mintzberg, 1973; 2009), personal experience (Watson, 2013a; 2013b; Watson and Harris, 1999) and social expectance and norms of the current society outside of an organisation.

## Understanding of the notion of management

Following the discussion on who is a manager from empirical and theoretical perspectives, this section theorises on how management is understood from the practitioners' viewpoint within Western-developed models (e.g. Mintzberg, 1973; 2009; Watson, 2013a; 2013b), followed by demonstrating how this study extends existing indigenous management theories. Management scholars have provided more dedication and commitment to defining management rather than a manager. The task of defining management evolved in the early 1900s by academics with a classical and scientific management background and emphasised roles and responsibilities (e.g. Fayol, 1916; 1930; Taylor, 1911). Later studies extended their research horizon from functions to practices backed up by qualitative studies that examined the nature of managerial work (e.g. Mintzberg, 2009; Watson, 2013a; 2013b; Watson and Harris, 1999).

In this study, participants were asked to share their understanding of the notion of management by narrating details of their actual experiences. Opinions differed amongst the three groups, who represent the current diverse phase of local economic development in Mongolia, but all acknowledged how the socio-economic and political changes continually shape their understanding and approaches. Socialist-era managers' narratives highlighted their experience of working towards 'building Communism' during the socialist period. Transitional-era managers stressed the need to generate income when the country entered the free market economy in the 1990s. Consequently, older practitioners' understanding of the notion of management placed importance on '*looking after people*', whilst transitional-era practitioners' perspectives focussed around '*developing business*'. Narratives indicated that transitional-era managers described their perspective to management as reactive rather than proactive by repeating the concept of '*survival*', which came from their experience of managing in the transition period. In addition, non-Mongolian managers, who emerged in the mid-2000s in local management practices, stressed the importance of strategic approaches in

both '*business and people development*'. They highlighted the unlimited business opportunities of an emerging market with great potential when the country started attracting international investors' attention due to the vast mineral resources. Therefore, non-Mongolian managers' understanding of management reflected their daily practice of staff and business development, as well as the wider socio-economic issues, such as the need for a qualified workforce and stability in the legal framework in the local business environment.

The empirical study suggested three key findings in local practitioners' understanding towards the notion of management. First, to a certain extent it supports the traditional management approach of defining management from roles and responsibilities (e.g. Fayol, 1916; 1930; Mintzberg, 1973; 2009) as participants used their tasks of building a '*family-tie*' for socialist-era managers, or *training staff* for younger Mongolian and non-Mongolian managers to describe their perspectives on management. Secondly, although participants described their roles to elaborate their understanding of management, the majority supported the view that management is a practice and process (Mintzberg, 2009; Watson, 2013a; 2013b; Watson and Harris, 1999). Mintzberg (2009: 58) stated that 'management is neither a science, nor a profession, it is a practice learned through processes'. Similarly, Watson and Harris (1999) defined it as an 'ongoing process to develop individuals and the organisation'. In the same way, study participants provided detailed accounts of how their understanding of management and managerial roles had progressed over the years of personal and professional experience. Finally, the empirical findings suggested that participants' understanding of management came through individual experience, as well as socio-economic and political situations. The socialist-era managers' definition of *management is all about looking after people* reflected their personal experience of socialism, linked with their traditional nomadic social hierarchy and paternalistic approach. Likewise, transitional-era managers described *management is developing and looking after business*, and their understanding came through their experience of running start-up business after the collapse of socialism. Non-Mongolian managers' accounts corresponded with the first and second groups as their understanding of

management also reflected their personal and professional experience in the current business environment. Their definition of management highlighted the importance of developing staff skills to succeed in business. The need to improve employee's technical competency was not only addressed by non-native participants, as it was also acknowledged by the other two groups.

The above discussions supported the theoretical arguments that defining management is a complicated task (e.g. Down, 2012; Mintzberg, 1973; 2009; Stewart, 1976). Moreover, empirical evidence showed that practitioners' understanding towards management had strong contextual influences from the internal and external business environment, as well as the individual's own personal experiences. Consequently, their accounts suggested that there are various contextual influencing factors on their understanding of management. Examining the notion of management within the context of an organisation or by personal experience has been noted in Western-developed management literature (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999). Additionally, the empirical study suggested that participants' understanding of management has been influenced by society and culture. Among the narratives, the shared-experiences of growing up or completing their formal training in an identifiable cultural period has played a significant role in each group's understanding.

Furthermore, management literature in non-Western contexts has limited studies in defining the concept of manager or management. The existing studies of indigenous management concepts emphasised the effect of local culture in examining management in non-Western countries (e.g. Holtbrügge, 2013; Tsui, 2004). However, it has not specifically investigated how management is understood or practised in an indigenous or non-Western context. Some studies in non-Western contexts claimed that indigenous management concepts oppose Western models and theories (e.g. Farh et al., 1998; Tsui and Farh, 1997) despite adapting mainstream management theoretical models in their studies (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013). Hence, the empirical findings on the notion of a manager

and management are theorised in Western-developed models and an additional influencing factor of previous and existing societal norms in understanding the management concept was raised.

### **Common perspectives in the conceptions of managerial roles**

The final theme investigated was the common perspectives in the conceptions of managerial roles and approaches. This study avoided listing the managerial roles as stated by participants, instead it encouraged practitioners to share their insight on the underlying reasons for each role by describing their daily routine. Empirical findings indicated that all three groups repeated the four main roles of a) leading, b) networking, c) personal development and learning, and d) decision making and negotiation in their narratives.

From the theoretical perspective, what managers do or which roles they play has been the key discussion amongst management researchers. Starting from the classic four functions by Fayol (1916; 1930) to Mintzberg's (2009) 'model of managing', extensive studies have been completed with both quantitative and qualitative approaches. Furthermore, studies of organisational ethnography have provided rich and meaningful insight in examining organisational and management research with fascinating methods (e.g. Johansson, 2012; Kociatkiewicz and Kostera, 2012; 2015; Shortt and Warren, 2012; Śliwa, 2013; Śliwa and Riach, 2012). However, due to the research aim of investigating the concepts of a manager, management and managerial roles, this study drew on qualitative management studies that look at the nature of managerial work and the notion of a manager. Hence, this study drew on Mintzberg's (1973; 2009) classic work on the nature of managerial work and 'roles of managing' to build a systematic structure for the theoretical discussions. Also, Watson (2013a; 2013ba; 2013b) and Watson and Harris' (1999) ethnographic studies on becoming a manager, and being an entrepreneur adapted by Down (2012), to examine the embeddedness of personal experiences in local practitioners' understanding. The empirical material also

indicated the influences of socio-cultural, economic and political circumstances in their perspectives and approaches to managerial roles.

Empirical findings detected several discussion points in relation to the understanding of the concept of managerial roles. Firstly, narratives highlighted the importance of locally-meaningful subjects in their understanding. This supported the theoretical argument in indigenous management literature, which emphasised context-specific agendas in understanding the management model in non-Western countries (e.g. Das, 2009; Ledeneva, 1998; 2009; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004). Secondly, participants' understanding had diverse influences from previous and existing socio-cultural, economic and political conditions. Thirdly, the accounts of local managers have created a hybrid approach towards understanding management, which has converged and then diverged with Western thinking, simultaneously.

The four main roles of leading, networking, learning (personal and staff development) and communicating (in decision-making and negotiation) emerged in the narratives, although the approaches and understanding to each role varied. Interestingly, one of the classic roles of planning (e.g. Mintzberg, 1973; 2009; Stewart, 1976) was hardly mentioned. Instead, the roles of being a parent, applying fear and pressure, looking after people from the same county and learning by experience emerged as sub-roles among participants.

The first main role recognised by participants was that of leading, which is one of the most identified in classic management literature (e.g. Fayol, 1916; 1930; Mintzberg, 1973; 2009). Scholars argued that the role of leading has various approaches depending on economic situations (e.g. Weihrich, 1990; Yang, 2012) or cultural concepts (e.g. Jackson, Amaeshi and Yavuz, 2008). The participants' understanding of this role differed between the three cohorts of managers. Narratives of Mongolian practitioners tended to emphasise a more paternalistic approach with a strong hierarchy, whereas, non-Mongolian managers and some younger local managers highlighted the importance of empowerment. Furthermore, the four sub-roles of

parenting, controlling, applying fear or pressure, and empowering employees emerged in participants' perspectives towards the role of leading.

'*Parenting*' or being a parent was a common phrase amongst Mongolian managers although it does not have a comparable understanding within a Western management concept. Mongolian managers expressed that *being a parent* to a colleague was part of their role of leading and they shared their experience that being directed and guided made them feel more content and supported at work. Some narratives indicated the gender differences in their understanding towards the role of leading and used the metaphors of mother-like nurturing or father-like directive in their narratives. The local paternalistic approach had the mixed connotations of the obligated duty of looking after descendants or co-workers, and the practising of an autocratic approach with top-bottom communication. The role of leading through fostering individuals is noted in indigenous management literature. Jackson, Amaeshi and Yavuz (2008: 414) found that the local paternalistic approach in African management is more supportive and protective towards colleagues.

All three cohorts of managers acknowledged that they exerted some form of control as part of their leadership approach, which was contrary to Mintzberg's (2009) findings that contended that controlling is useful only to collect information. Although local managers expressed that they use controlling to lead, they explained that this was for ensuring effectiveness rather than for intimidating colleagues. Furthermore, Zimmerman (2012) found that during socialism being a manager meant having control over resources and financial budgets, and the characteristic of a good manager or master was about being honest in their allocation of them. Correspondingly, first cohort managers emphasised that keeping control over financial and human resources makes effective leadership possible and they highlighted the importance of systematic control in successful managing and achieving better results. They shared their opinion that the entire economy worked much better when tighter controls were in place before the transition in 1991. By contrast non-Mongolian managers said that they were impelled to control their local colleagues regardless of their personal preference. Many of



them shared their experience of controlling becoming a part of their daily routine due to a lack of self-direction and poor performance by the local workforce.

The third sub-role that emerged was to pressurise subordinates to increase productivity, punctuality or accountability. Older Mongolian practitioners explained that their understanding of fear is from an autocratic style of leadership through controlling and commanding to promote equality (Van Vugt et al., 2004). Hence, many of them shared their expectations that a manager should be respected and listened to. Younger Mongolian managers considered that pressurising colleagues promoted self-accountability and responsibility among their staff. Similarly, non-Mongolian managers shared their experience of utilising pressure to improve punctuality, and suggested that the role of pressurising arose from their employees' preference for being directed. Additionally, some accounts indicated that older colleagues, who worked during socialism, needed more direction than their younger counterparts. Opposing leading by control or fear, some non-native and younger Mongolian managers' accounts indicated the importance of empowerment and staff initiatives in their management and leadership approaches. Mintzberg (1973; 2009) commented that leading is to energise individuals and build teams.

Hence, narratives of participants suggested the various approaches of parenting, controlling, pressurising and empowering in their understanding of the concept of leading. Among the emergent four sub-roles only empowering was in line with Mintzberg's (2009) 'roles of managing' as the other three indicated the influence of the local traditional culture and previous economic system in Mongolia.

Developing formal and informal networks for a personal or business advantage is noted as a common practice of managers in both Western and non-Western contexts and much has been written about them in international business literature (e.g. Jackson, 2013; Mintzberg, 2009; Tsui, 2004). According to Mintzberg (2009), a manager develops a network for a firm's advantage by linking useful contacts in both industry and politics in a formal manner. By

comparison, literature that focuses on networking in non-Western countries emphasises the importance of informal networks in business and politics (e.g. Jackson, 2013; Ledeneva, 2009; Minbaeva and Muratbekova-Touron, 2013). The informal network in China, represented through the concept of *guanxi*, was described as receiving favour through highly structured social ties (Yang, 2012). On the other hand, practices of *ubuntu* in South Africa and *clanism* in Kazakhstan, emphasise kinship relations (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013). Weir and Hutchings (2005) noted that business decisions in Arab countries are dependent upon *wasta* or '*diwan-culture*', which describes the action of getting to know people on a personal level. Furthermore, Ledeneva (2009) defined the informal network in Russia as being influenced by the socio-cultural condition of a socialist regime. She argued that the informal networks in contemporary Russia had inherited the practice of *blat*, a concept which refers to the need to utilise networks to access goods and services from socialist Russia (Ledeneva, 1998; 2009). She explained that informal networks were the only way to access services and goods when they were in limited supply during socialism, and that it has now become an accepted form of business activity. Whether it is a highly structured social tie like *guanxi* in China, kinship relations in South Africa and Kazakhstan or an inherited social condition from a previous political regime in Russia, scholars agreed that the informal network plays an integral role in developing effective relations for all sectors in non-Western countries (e.g. Jackson, 2013; Minbaeva and Muratbekova-Touron, 2013; Weir and Hutchings, 2005).

Following the above discussions of informal network operations and their importance in business and political relations in non-Western countries, relying on informal networks and gaining an advantage at a personal or business level was not an exception for Mongolia. Based on the narratives, all three groups of managers highlighted the importance of their informal networking in their day-to-day managing and the role of utilising it to further their business and political connections.

There were some commonalities between the operation of informal networks in Mongolia and other countries, as well as distinctive features of how it has been developed and supported in the local context. In comparison to *guanxi* in China, the local informal network tends to be based on kinship or a tribal network as in South Africa or Kazakhstan. Dalaibuyan (2012: 44) argued that there are four main types of informal network in Mongolia, kinship, classmates of alumni, co-workers and *neg nutgiinhan* (people from the same homeland). The narratives suggested that practitioners utilise '*nutgiin hun*' (person from the same homeland) for accessing information and achieving faster results. According to participants, giving and receiving a personal favour to and from former colleagues, classmates or people from the same town is acceptable behaviour amongst local practitioners. Moreover, many narratives indicated that gaining an advantage through informal networks speeds up business deals and the access to reliable information in Mongolia. Dalaibuyan (2012) observed that the informal network in Mongolia was influenced by the socialist norm of creating a workplace as somewhere to promote a collectivist culture by encouraging colleagues to get together in and outside of their work. In the same way, Ledeneva (1998; 2009) argued that the informal network in contemporary Russia has been influenced by the socio-political circumstances of the shortage of products and supplies during Soviet times.

As well as commonalities, informal networks in Mongolia had several unique features in relation to rationale, support and development. Empirical findings indicated that native participants linked their reason for developing informal networks and supporting people from the same county to their spiritual belief in their ancestral lineage and moral duty to serve their ancestors by looking after their 'descendants'. Participants used the concept of a '*golden thread*', which referred to themselves as descendants of Chinggis Khaan who was the ruler of the Mongol Empire in the 13<sup>th</sup> century. Furthermore, many accounts of Mongolian practitioners suggested the vista metaphor for their moral duty to serve their local society. Almost every practitioner mentioned the notion of '*my mountain*', which referred to the topography of their parents' birthplace. Regardless of age or management experience, most

native practitioners shared stories of their mountain and getting involved in voluntary activities run by their Home Council. Narratives indicated that informal networking amongst people from '*nutgiin hun*' (people, who share the same locality) is one of the most important circles in Mongolia for supporting, lobbying and favouring each other at both personal and professional levels. Supporting people from the same county, identified by the commonly used expression of '*being looked after or cared for by nutgiin akh* – '*brother from the same county*', is translated into local management understanding by favouring people who share the same locality and is seen as acceptable social behaviour. Unlike *clanism* in Kazakhstan, it does not necessarily only include blood-relatives, but a broader network based on geographical location and a history of being neighbours. Consequently, it is understood as a moral responsibility rather than just favouring or linking with people for business purposes which was reflected in the accounts of Mongolian managers.

Whether practitioners' understanding of developing and utilising informal networks refers to favouring formal colleagues, or gaining an advantage in business, the clear message in their narratives was that they play a significant role in contemporary Mongolia. It also became obvious that informal networks are used to compensate for the challenges of finding reliable sources of information and the bureaucratic nature of local authorities.

Learning new skills and improving their own or staff professional development was the third main role among study participants. Many linked the rapid economic transition and changes in the business environment to the reason why they had to improve their computer literacy, test new management methods or become entrepreneurial in business development. Particularly, older managers shared their understanding that being the head of an organisation meant being able to guide everyone in the right direction and meet the expectation of having all the answers. Hence, they explained that their approach towards learning and development focussed on improving their own skills. Likewise, narratives of transitional-era and non-Mongolian participants repeated the idea that the perception of a manager is as someone who solves issues and answers everything, was common among local employees. This echoes

Watson and Harris' (1999) study that managers are often pressurised by very high expectations from their sub-ordinates.

Although all three groups supported the idea that managers are expected to be the best performer and consequently need to constantly improve their own professional skills, their understanding towards learning and development created a difference between older and younger managers due to their experience of working in a certain period of economic progress in Mongolia. Narratives of older Mongolian managers suggested that learning new skills and adapting to the changes in the market economy was the biggest challenge in their career. Many of them shared their experience of having to learn about customer-driven services, competition or performance-based salaries. Therefore, older Mongolian managers' understanding of their learning role focussed on *improving their own skills*.

The narratives of younger Mongolian managers emphasised *experimenting with new ideas* and *learning-by-experience*. As in older practitioners' accounts, they agreed that the role of learning is a necessity in the current socio-economic situation. The modern term of management came to Mongolia after 1991, when the country entered the private sector for the first time. Empirical findings suggested that the first businesses were family-owned SMEs employing close relatives and those, who had travelled to China to import goods or individual manufacturers who were the first generation of managers during the transitional period. After the 2000s the Mongolian economy saw rapid growth in GDP and local companies shifted from SMEs to larger enterprises. Practitioners related how the change in the local economy had brought more challenges rather than opportunities to them as nobody had any previous experience of running a company or managing an organisation within a market economy. Therefore, most accounts of transitional-era managers highlighted that learning through trial and error was common in their perspective towards learning. 22 out of 35 participants of this study did not have prior experience and/or a degree in business and management.

In addition, some narratives of younger Mongolian and non-Mongolian managers highlighted the importance of *staff development*. Many expanded further, by pointing out that the current economic growth and increasing number of foreign firms require competent skills in introducing internationally-recognised standards in local auditing, accounting and the service industries. Therefore, their perspective towards learning and development was focussed on staff development rather than their own. At the same time, some accounts of younger transitional-era managers suggested that staff training and investing in employee development was an emerging activity among local firms.

Focussing on staff development and the practice of training is widely supported in Western-developed management contexts, and researchers noted that it is one of the main responsibilities of a manager (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999). Additionally, some accounts of non-Mongolian managers indicated that managing in Mongolia is a learning curve for them as they are required to amend their managerial approach to meet local expectations.

To sum up, participants' understanding in regard to the role of learning and developing their own or staff skills are a) narratives of all three groups supported that learning is one of their main roles, b) accounts of older Mongolian managers indicated that they focus on personal development due to their previous socialist training and the demands of the current economy, c) most narratives of younger Mongolian managers cited learning through the process of trial and error as they had limited knowledge or qualifications in business and management, and d) non-Mongolian and some younger Mongolian managers share similar views towards focussing on staff training and development.

The final role that emerged in the narratives was the role of *communicating* in decision-making and negotiating. Decision-making is noted as one of the main roles for managers in Western management perspectives (e.g. Anderson et al., 2015; Mintzberg, 1973; 2009), and scholars argue that approaches vary in different cultures (e.g. Ang et al., 2007; Nishi,

Christakis and Rand, 2016). The empirical findings suggested that local managers' perspectives in decision-making were influenced by the socio-economic and political context rather than cultural typology. Accounts of all three cohorts highlighted the impact of political uncertainty on poor planning practices and the need for last minute decisions. They suggested that long term planning barely exists in local businesses due to the frequent amendments in key legislation and local parliamentary appointments. Interestingly, the non-existence of planning among local practitioners opposes the theoretical perspective of managerial roles which has always defined it as a core function for managers in traditional Western management theories (e.g. Fayol, 1916; 1930; Mintzberg, 1973; 2009). However, narratives suggested that practitioners are urged to deal with the current situation rather than pre-planned activities and some accounts suggested that poor planning practices are a legacy from the socialist period. A few pointed out that planning has never been a managers' forte as everything was dealt with by central government (e.g. Yang, 2012).

Furthermore, empirical findings indicated that negotiating is an emergent role in their understanding towards communication. As stated by participants of all three groups, the decision and communication process involves constant negotiation with political and industry partners. The role of negotiating has been examined in management literature and described as 'the managerial job often requires negotiation with employees and stakeholders to develop a relationship for a firm's advantage' (e.g. Anderson et al., 2015; Mintzberg, 1973; 2009). Accounts of socialist-era managers suggested that negotiating did not exist during socialism. Hence, their perspective to negotiation involved direct ordering rather than discussion. Some narratives pointed out that their understanding was related to their traditional hierarchy of respecting elders, as well as the autocratic system of the socialist period. Yang (2012: 172) illustrated the negotiating strategy in the Chinese public sector as 'muddling through', as decisions tended to be made by a higher authority rather than by individual managers.

Narratives of transitional-era and non-native managers illustrated that they tend to have more open communication in their negotiation and decision-making processes. However, non-

native practitioners shared their experience of negotiation with Mongolians as another challenging task as the other party often lacks transparency or the ability to share information. Their narratives suggested that Mongolians tend to be either completely open and honest or the total opposite. They admitted that encouraging participative communication and staff initiatives is something that they need to learn. Accounts of transitional-era managers from the 2000s were in line with non-native managers in relation to promoting initiatives and openness among staff.

Accounts from Mongolian participants suggested that negotiating is a new set of skills for them. Socialist-era managers shared their experience of being guided rather than questioning, and transitional-era managers stressed their lack of training and experience in negotiation. Hence, perspectives in negotiation and developing flatter communication were identified as new skills to be learnt by local managers.

### **Summary of understanding the concept of management**

The theoretical discussion of understanding management raised the three key points of who managers are, what management is and what managers do.

Firstly, participants' opinion of their professional status and understanding of management was based on their daily roles and responsibilities. Their views supported some of the existing theories that management practices are function based (e.g. Goleman, 2000; Mintzberg, 2009; Stewart, 1976).

Secondly, their narratives provided a detailed account of the importance of individual experience in shaping their understanding of a manager and managerial roles. Therefore, the study findings support the theoretical view that managers are individuals influenced by personal emotions and experience (e.g. Lotfali, Moradi and Ekhtiari, 2016; Höpfl and Linstead, 1997; Watson, 2013a; 2013b; Watson and Harris, 1999).



Finally, empirical findings suggested that practitioners' understanding towards the concepts of managerial roles and approaches was shaped by various influencing factors including previous and existing social norms and expectations. Narratives of Mongolian managers indicated that their role of networking with former colleagues or looking after *nutgiin hun* and promoting their home county is a duty expected by current society and cultural norms. Accounts of socialist-era managers suggested that they were expected to have a high moral standard by promoting a cohesive culture and treating subordinates equally. Transitional-era and non-native managers were expected to solve business problems and arrange extra-curricular activities for social development. Furthermore, most narratives pointed out that being involved in political activities and developing an extensive network is one of their main daily roles. Participants' narratives indicated the various roles of being a parent, using coercion, and involvement in political activities suggesting the underlying influences of a) traditional culture and social hierarchy, b) training and working experience and c) the current socio-economic and political situation in their management understanding.

## **5.2 Discussions about influences on understanding management**

Contextual influencing factors are a well-studied subject within cross-cultural management, international business and institutional theories (e.g. Al Ariss and Sidani, 2016; Jamali and Neville, 2011; Kwon, Farndale and Park, 2016; Ralston et al., 1997; 2008; 2015). Existing theories indicated the various influencing factors including the role of culture (e.g. Hofstede, 1984; 2001; House et al., 2004; Schein, 1985; 2010), political and legal institutions (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) and economic ideologies (Deeg and Jackson, 2008; Friel, 2011). Existing studies have tended to theorise the cultural and institutional aspects separately by focusing on either cultural consequences (e.g. Hofstede, 1984; 2001; House et al., 2004; Schein, 1985; 2010), institutional aspects from a macro level (e.g. Holmes

et al., 2013; North, 1991; Scott, 2013) or micro level in a business perspective (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007).

This study is proposing to examine all contextual influences together rather than separately to identify what influences management understanding in Mongolia. Empirical findings indicated that the local practitioners' understanding of the conception of a manager, management and managerial roles have all been influenced by the traditional nomadic culture, current and previous economic ideologies, societal trends and local politics. The influence of local culture is noted in both literature on management in relation to Western and non-Western contexts (e.g. Hofstede, 1984; 2001; House et al., 2004; Schein, 1985; 2010; Tsui, 2004;), and influences from formal and informal institutions are discussed in institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) and varieties of capitalism (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007).

Theories of crossvergence bridged the influence of local culture and institutional aspects by acknowledging the divergence from local socio-cultural values and convergence from current economic ideologies (e.g. Brewster, Mayrhofer and Cooke, 2015; Ralston et al., 1997; 2008; 2015; Robertson, 1995). However, this study critiques crossvergence perspectives for referring to convergence by emphasising economic institutions and ignoring other institutional impacts including political and legal. Additionally, empirical findings indicated that a strong influence of a socialist legacy exists among Mongolian participants' accounts. Hence, this study considers that the influence of previous economic ideology and current local political and legal institutions are under-examined in the theories of crossvergence by Ralston et al. (1997; 2008; 2015). This research accepts the theoretical and empirical importance of convergence and divergence debates (e.g. Brewster, Mayrhofer and Cooke, 2015; Linz and Chu, 2013; Malik and Rowley, 2015; Robertson, 1995) and the significance of theories of crossvergence that attempted linking both perspectives by examining management in a cross-cultural context (e.g. Al Ariss and Sidani, 2016; Huang et al., 2015; Ralston et al., 1997; 2008; 2015). Simultaneously, this thesis identifies the limitations of the

theories of crossvergence, which were developed through quantitative methods by generalising nations, and overlooking the level of some critical aspects of regional differences, previous economic ideology and political influences in non-Western countries.

Consequently, this thesis extends the theories of crossvergence by examining the impact of local political institutions and the previous economic ideology, as well as the socio-cultural values and current economic philosophy across participants' narratives with a qualitative perspective in the context of Mongolia. Furthermore, by uncovering the contextual influencing factors in the accounts of local practitioners, this study makes conceptual contributions not only to the existing literature on indigenous management, but also attempts to contribute to cross-cultural management and the nature of managerial work by highlighting the various influencing factors.

#### **a. National culture**

Management scholars noted culture as one of the key influencing factors in management understanding as it creates a direct relationship between the local value system and organisational behaviour. Studying the influence of culture on managerial roles started as early as Weber, Gerth and Mills (1948) classical study of the capitalist spirit and the development of management and organisational studies in local and international contexts (e.g. Hatch, 1993; Hofstede, 1984; 2001; Schein, 1985; 2010). Although scholars' research focus differs in their studies by examining the organisational culture within Western perspectives (e.g. Schein, 1985; 2010; Weber, Gerth and Mills, 1948), and cultural dynamics and stereotypes within non-Western perspectives (e.g. Hofstede, 1984; 2011; House et al., 2004) or identifying convergent impacts from Western thinking in former socialist countries (e.g. Farh and Cheng, 2000; Gou, 2015), their studies are based on highlighting the influence of culture from an organisational and managerial aspect.

Empirical findings supported the concept that national culture is one of the key influences in understanding local management with a critical perspective that culture is dynamic and affected by phases of socio-economic and political development. Hence, cultural influences on local management are divided between phases of before, during and after socialism. Furthermore, some accounts supported the notion of being aware of locally significant concepts, which agrees with indigenous management theories (e.g. Tsui, 2004). At the same time, empirical findings suggested that the local practitioners' perspective on the notion of a manager, management and managerial roles are equally influenced by previous and existing political and economic ideologies, social developments and local culture. It indicated the danger that over reliance on a single factor such as culture has limitations in creating a comprehensive understanding of local management in non-Western countries. At the same time, narratives suggested that the traditional nomadic culture and values are one of the main foundations for their management perspectives. Therefore, this section discusses the role of culture in participants' understandings with theoretical perspectives of the 'three levels of culture' (Schein, 1985; 2010) and indigenous management theories (e.g. Holtbrügge, 2013).

Schein's (1985; 2010) influential notion of 'dominant value orientations', argues that understanding the basic or implicit assumptions that guide a group's behaviour, value and actions is essential as it is the key to understanding the local culture and cultural influences. His notion of 'basic assumptions' (Schein, 2010: 3) is interpreted in the narratives as nomadic values and ancestral lineage. Particularly, the vista metaphor of homeland, my mountain or birthplace was a repeated theme among Mongolian practitioners' accounts. Consistent with Wickham-Smith (2013), nomadic culture and society can be described as a symbolic relationship between the landscape and the Mongolian people. All Mongolian participants, whom I visited in their office, kept an artefact to represent their home province or landscape. I found that most native managers actively participated in promoting their home town by funding a Home Council or *Nutgiin zovlol* (a voluntary association that relies on support from native people). Moreover, narratives suggested that contributing to the development of their

homeland is a moral duty for many Mongolian managers, who emphasised the symbolic and spiritual meaning between their mountain and themselves.

Furthermore, participants used an expression of the *golden thread* - a notion representing Mongolians belief in linking themselves to their ancestors, history and origins. They romanticised themselves as descendants of the 13<sup>th</sup> century ruler, Chinggis Khaan and his family tree, which is known as the 'golden lineage' in local history. This has transferred into management understanding as looking after their descendants by favouring people from the same county through recruitment or business transactions. The local practitioners' understanding of favouring people from the same county, funding projects for their home province or creating an extensive network among people from the same town was considered acceptable behaviour in the local context. Scholars, who have studied Mongolian history and culture, suggest that the intense censorship during socialism could not stop the Mongols' belief in their homeland and golden lineage. However, the establishment of democracy in 1990 brought an increase in national pride (e.g. Bruun and Narangoa, 2011). Whether it is the rise in national pride or romanticising themselves as a 'golden thread' of nomadic warriors, the local managers' moral obligations and daily roles were influenced by the spiritual relationship with their birthplace. In other words, local practitioners' shaping of their espoused values and beliefs, which further determines their observable behaviour, were influenced by the vista metaphor and its symbolic meaning.

The concept of locally meaningful constructs (Tsui, 2004: 501), which were discussed in indigenous management literature, support the influence of local culture (nomadic heritage) in some Mongolian practitioners' accounts. Empirical findings suggested that the understanding of their managerial roles (looking after '*nutgiin hun*' or volunteering for a Home Council was greatly influenced by the symbolic relationship between the homeland and its people. The link between a nomadic culture and management and managerial roles resonates with the indigenous management concept of understanding local management

through examining the deeply rooted cultural ethos in the given context (e.g. Das, 2009; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004).

The contextual background of this study could locate this thesis into indigenous management research criteria comfortably by being a non-Western country that has a unique socio-cultural combination of a nomadic heritage, socialist legacy and market economy. However, the supposition that understanding local management can be realised through examining the nomadic cultural values and symbolic meanings of an ancestral lineage and birthplace would be an over-simplified and ignorant approach for various reasons. Firstly, it agrees that there are similarities between indigenous management concepts and local participants' narratives on roles and responsibilities. Favoursing '*nutgiin hun*' or relatives was in line with the practice of nepotism in Kazakhstan (Minbaeva and Muratbekova-Touron, 2013), building social ties in business dealings was the same as *guanxi* in China (Tsui, 2004) or being a parent was akin to the practice of nurturing paternalism in South African SMEs (Jackson, 2013). All the above indigenous management concepts were constructed on locally meaningful ideas and the co-existence of these in the findings suggests that emphasising networking or a traditional social hierarchy is common practice in many contexts. Therefore, it would be dangerous to define local management through a single cultural ethos.

Secondly, narratives suggested that using their informal network to access services and information is an accepted practice among local practitioners. It replicated the Russian practice of *blat*, which described how people had to utilise their network under the strict regime of the Soviet Union to receive goods, which then became an acceptable business practice in contemporary Russia (e.g. Ledeneva, 1998; 2009). Similarly, narratives supported Ledeneva's (2009) argument of *blat* by highlighting the utilisation of former colleagues and classmates, as well as people from the same province for sourcing reliable information and expediting business transactions. Also, the example of *blat*, or the Mongolian version of *blat*, indicates that theoretically, not all indigenous management concepts are constructed on a

single deep-rooted cultural ethos. Empirically, cultural ethos is not static and it has influences from existing socio-political conditions.

For the above reasons, this study suggests two main points in relation to the influence of culture on management understanding. Firstly, the empirical findings advocate the anthropological view in understanding basic assumptions (e.g. Schein, 1985; 2010) and ‘thick description’ approach (Geertz, 1973) to interpret the basic underlying assumption to understand a group’s behaviour. Secondly, it acknowledges the significance of indigenous management arguments, which were constructed through examining the locally meaningful constructs in the native language to understand management practices in a non-Western context. Simultaneously, it criticises the over-reliance on deep-rooted cultural ethos in understanding management as the empirical findings indicated the changing nature of culture in the given context, which then highlighted other contextual influences.

### **b. Socialist legacy**

Following the influence of culture, the second recurring theme in practitioners’ narratives was the influence of the socialist legacy. Accounts suggested that the effects of a central-planned economy and inherited habits in planning and communication are still ingrained among local practitioners. Examining the influence of the socialist legacy on local management from the theoretical viewpoint was difficult due to the limited studies on evaluating management understanding or practices in transitional Mongolia. Some social research studies have been completed to address practitioners’ attitudes towards a collegial culture (Dalaibuyan, 2012), and an understanding of leaders and leadership approach in the context of socialist Mongolia (Zimmerman, 2012). The significance of those studies has been acknowledged in this thesis, but their research focussed more on social behaviour rather than managerial practices. Hence, some studies on transitional economies and management practices in former Soviet countries

have been adapted to theorise the influences of a socialist legacy. Specifically, Linz and Chu's (2013) study on evaluating work ethics between older and younger generations, practices of dismissing individual accountability (e.g. Van Vugt et al., 2004) and valuing group reward (e.g. Judge, Naoumova and Douglas, 2009) in transitional economies have been used.

The notion of employer and employees emerged when Mongolia became a socialist country in 1924. During socialism, groups of nomadic families formed collective farms, called a *negdel*, supported by a cooperative transport and agricultural system (Humphrey and Sneath, 1999). In urban areas, workplaces were the place to develop communist principles and collective ethics (Dalaibuyan, 2012) and *Hamt olon*, a workplace collective, played a key role in social life. Non-participation in communal activities was considered unacceptable behaviour (Ibid). In the same way, narratives of all three groups suggested that maintaining a good collegial relationship was one of their key roles. Furthermore, some accounts indicated that it was acceptable behaviour for practitioners to rely on their informal network of former colleagues to access information or gain an advantage in business dealings.

Moreover, some practitioners' understandings towards the concept of leading were reflected by the values of a socialist work code of conduct. Particularly the local paternalistic approach of being a *parent* or *guardian* to colleagues, preferences of hierarchy and one-way communication in decision-making were in line with a traditional social hierarchy which became integrated into the socialist way of managing and being managed. Humphrey (1995), stated that the Mongolian power concept centred on elders, chiefs and shamans who had the responsibility of looking after the tribe and in return their decisions were obeyed. During socialism, *darga*, *pl. darguud* became the power term for leaders in collective farms (*negdel*), organisations and institutions (*alban baiguullaga*) and they were described as 'masters of the urban landscape' (Zimmerman, 2012: 84). This extended Humphrey's (1995) description by assigning new titles for leaders although hierarchical relationships stayed the same.



Zimmerman (2012) considered that socialism was successfully built on the Mongolian traditional system of community, authority and hierarchy.

The socialist concept of large scale decision-making and planning, which were all state-controlled, and chiefs or masters were responsible for allocating the budget and controlling quantitative targets (e.g. Bruun and Narangoa, 2011), resulted in planning and negotiating skills being the weakest role for local managers. Some accounts of non-native participants suggested that the habit of being directed, having decisions made for them and poor self-accountability remained strong among their Mongolian colleagues.

Additionally, most Mongolian managers, who took part in this study, had no prior management experience or qualification of running a business in a market economy highlighting why participants suggested that learning for personal or staff development is one of their main roles. More socialist-era managers studied technical degrees compared to transitional-era managers. Today, many of these socialist-era managers have become executives in the public and private sectors. Their accounts suggested that they still have a strong belief in the socialist way of managing with a commanding and controlling approach.

All participants stressed that the understanding of the contemporary term of management is still relatively new in Mongolia, where the *darga nar's* (boss) principal functions had relied on following central commands and top-down communication for seventy years. Narratives of younger Mongolian and non-native participants emphasised the deep-rooted influence of a socialist legacy in local management despite the growing effect of foreign direct investment, the increasing number of foreign firms and graduates with overseas qualifications. Some narratives touched upon the educational system of Mongolia as part of the remaining socialist legacy in local management. Transitional-era managers, who studied business degrees locally, criticised the irrelevance of the curriculum to their practice and the academics, who had qualified during socialism. Non-Mongolian managers observed the incongruity between skills and qualifications in their younger employees. Although this study's aim was not to

look at how managers are being trained or prepared, empirical findings suggested that the influence of a previous economic ideology remains not only in managerial roles and responsibilities but is rooted in accepted socio-cultural norms and formal training.

Finally, although this study did not intend to compare management understanding in the public and private sectors, the apparent theme of being nostalgic for socialism was stronger in the narratives of public sector managers regardless of their age or experience. The different approaches had similarities with Yang's (2012) findings of the Chinese public sector tending to have more bureaucracy and the practice of following group leadership and valuing dedication.

To conclude, the empirical findings strongly indicated that seven decades of shared values, education and knowledge, experience and habits remain strong in managers' understanding of the concept of a manager, management and managerial roles. In addition, those, who were junior managers during socialism, are today's top executives in the private sector or government and in consequence the legacy of socialist ideologies is still one of the key influences on local management understanding.

### **c. Economic ideology**

Empirical findings indicated strong links between participants' understanding of the concepts of management and the current market economic conditions. Specifically, narratives suggested that Western management techniques are becoming more popular due to the demands of working with foreign investors, entering an international market and managing a younger workforce with overseas experience.

Examining the correlation between adapted economic ideology and current management practices is a thoroughly researched field within cross-cultural studies (e.g. Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). Moreover, institutional theories and

varieties of capitalism identified the role of economic institutions as one of the main contextual influences on the local business environment, management and organisations (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). Institutional theories studied organisations in a macro context to understand the existing economic structures at a national level (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). In contrast, ‘varieties’ of capitalism focussed on a micro level by examining the competitive advantage strategies of selected firms and their influences on the wider economy (e.g. Deeg and Jackson, 2008; Hall and Soskice, 2001; Witt and Redding, 2009). The varieties of capitalism approach of investigating the role of economic institutions within a specific country or similar situation (e.g. Hall and Soskice, 2001) supported the contextual background of this study.

The empirical findings have suggested that local management understanding has been influenced by economic institutions at a macro level, which agrees with the arguments of institutional theories (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). Some narratives indicated the role of local economic authorities, which are responsible for the country’s monetary policy and financial regulations, on their daily management approach and highlighted their influence at a micro level on a business (e.g. Deeg and Jackson, 2008; Hall and Soskice, 2001; Witt and Redding, 2009). Transitional-era managers drew attention to the growth of the private sector in Mongolia in the last 25 years, and the success story of many being listed on the international stock exchange for the first time and becoming the biggest contributor to the local economy and the largest employer. Hence, they agreed that local firms and their growth can influence the macro economy, as well as local managers’ perspectives and approaches.

Moreover, due to the specific nature of the country the empirical findings elaborated on Drahokoupil and Myant’s (2015) economic performance framework for transitional economies to discuss the impact of current economic institutions. Drahokoupil and Myant’s (2015) study developed independent variables to measure the performance of local economies

by examining the degree of reliance on foreign direct investment, situations of democratic political system and geographical location. This was reflected in the narratives which indicated that the roles of foreign direct investment and the transition to a democratic system have brought the biggest change in the local economy and managers. The issue of geographical location in examining economic performance was not mentioned in great detail among narratives apart from an interview with the Director of a logistic company.

In addition, Linz and Chu's (2013) study on management in transitional economies was adapted to explain what a free market economy meant to local managers and their perspectives on managerial roles. This was followed by drawing a conclusion on the emerging influence of Western thinking in the narratives, as well as the divergent perspectives in some accounts by adapting the debates on convergence and divergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Ralston et al., 1997; 2008; 2015; Robertson, 1995).

Firstly, the narratives of transitional-era managers suggested that their general understanding towards their position and approach differed from socialist-era managers in terms of work ethics, human relations and leadership roles. Younger practitioners' perception of *business development* and monetary rewards coincided with Linz and Chu's (2013) findings about how a younger workforce in transitional economies was driven by individual gain, achievement and result-driven performance. Many accounts of transitional-era managers linked the dramatic economic and social changes to their focus on business development. Scholars defined the economic situation at the beginning of the 1990s as Mongolia was in a state of disarray (e.g. Murrel, 2012; Wickham-Smith, 2013b). The narratives indicated that people had been compelled to leave their jobs and find an alternative way to earn an income. Participants, many of whom are today's successful business owners and senior managers, started their careers either selling on the black market or establishing family-run SMEs. Consequently, transitional-era managers defined their managerial approach and business strategies as to *survive*, which opposed the older managers' opinion of management as

looking after people or promoting a collegial culture. Furthermore, younger Mongolian and non-Mongolian managers highlighted the importance of a *reward structure* and shared their experiences of linking monetary reward to *personal achievement* and technical competency. Transitional-era managers emphasised individual achievement as opposed to older practitioners' group-accountability. The transitional-era managers' focus on individual achievement coincided with the younger managers' attitude towards a monetary reward structure in transitional economies (Linz and Chu, 2013).

Secondly, the expansion of multinational companies (MNC) and foreign direct investment (FDI) are common business activities in developing countries (e.g. Schuster and Holtbrügge, 2012) and one of the major influences in transitional economies Drahokoupil and Myant (2015). Correspondingly, accounts of all three groups indicated that *foreign direct investment* was driven by local mineral deposits which had changed the local economic and business environment dramatically since the beginning of the 2000s. At the same time, the local economy grew at an unprecedented rate following major mining projects and other business services such as international auditing, legal firms, and leisure services entered the country (Eyler-Driscoll, 2013). Narratives indicated that local managers faced both challenges and opportunities due to the local economic growth and the cash flow from FDI. Participants stressed the importance of a *stable business environment* to attract more investment. Moreover, all three groups acknowledged that one of the main challenges brought about by the current economic situation is that managers are expected to be *more innovative and skillful* to manage successfully in the competitive environment. All groups highlighted the importance of learning and development whether it is focused on improving individual manager's skills or technical competency among staff. Accounts of older participants suggested that they struggle in adapting to the concepts of individual reward and competitive behaviour. They stressed that their understanding of managing and being managed revolved around the egalitarian value of treating everyone equally and promoting morality. On the other hand, younger participants discussed how *monetary reward* is one of the key motivating

factors for their employees and underlined the importance of individual performance and *introducing different approaches* to promote competitiveness and individual accountability. Some accounts of younger Mongolian managers were akin to the non-Mongolian managers' perspective in regard to leadership, decision-making and staff development. Both groups shared common views on *empowerment, staff training and development, financial reward*, as well as encouraging *staff initiatives and participation* in decision-making. Hence, some younger Mongolian managers' understandings of the concepts of management indicated the convergence with Western management among native practitioners. Convergence often meant adopting the ideological values of western capitalist economies (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbshire, 2000) and expecting socialist economies to follow Western management techniques (e.g. Yip, Loewe and Yoshino, 1992). Accounts of certain younger Mongolian and non-Mongolian managers supported the importance of adopting Western techniques in the practices of human resource management, motivation, empowerment and staff training and development.

Narratives of transitional-era managers indicated a mixed approach that was '*in-between*' socialist and capitalist ideologies. Their common perspective towards learning (*experimenting* or developing their own skills) and utilising *fear and pressure* to improve staff competency, did not come from Western-adopted practices, nor from socialist-driven ideologies. The narratives suggested that the country's own circumstances of a nomadic heritage and current cultural and institutional changes created the need for learning brand new business and management skills. The challenges of replacing their inherited habits from socialist values and lack of training in contemporary approaches made them combine their previous experiences into new ways of managing and *experiment* with an '*in-between*' style. Furthermore, most accounts of local managers indicated that their understanding of managerial roles changed depending on the current economic and political circumstances. Practitioners' methods of *accessing information* and services through informal networks, the concept of '*last-minute*' planning and decision-making were explained as approaches that

best suit the present situation. Accounts of some non-Mongolian managers suggested that the lack of punctuality or planning were inherited either from the traditional nomadic culture or central-planning during socialism. Hence, empirical findings indicated that local practitioners' understanding of the concept of a manager, management, managerial roles created a hybrid approach, which had both converged and diverged from Western theories. It had created its own crossvergent perspective, which is described as the equal influence of national culture and institutions in local management understanding (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015).

Finally, accounts of all managers indicated the additional challenge of working to international standards with local resources. Schuster and Holtbrügge (2012) developed an 'international process model' that analysed the importance of the local socio-economic, infrastructural and educational conditions to gain a competitive advantage in a global market. Participants acknowledged the demand for an experienced workforce, to meet the requirements of contemporary business standards in Mongolia. Building a competitive advantage for a firm through qualified staff corresponded with theories of varieties of capitalism (Friel, 2011; Morgan, 2007). Particularly, Friel's (2011) argument of to shape a firm's strategy in an institutional context for competitiveness should consider the five spheres of corporate governance, industrial relations, training and education, inter-firm relations/labour law, and employee relations. Although, participants did not mention corporate governance or industrial relations, the ideas of training and education, a supportive legal framework and employee relations appeared in their narratives. Significantly, most participants discussed the importance of qualifications and formal training to create competent employees. Working with the growing number of graduates who have studied abroad and the influx of a foreign workforce was one of the most significant changes within the last ten years for Mongolian managers. Although the narratives indicated the different challenges of working with a younger workforce, all three groups acknowledged that employees with overseas experience benefit their organisation by bridging international

standards and local skills. At the same time, most practitioners expressed the opinion that to work with overseas-educated colleagues who tended to be more open in their communication style often meant they had to amend their own approach. A preference for working with younger employees with overseas experience created differences between transitional and socialist era managers. Accounts of transitional era managers indicated their enthusiasm for working with younger employees and create participative and discussion-based meetings with them. On the contrary, socialist-era managers and a few older transitional-era managers commented that having overseas experience often meant being unfamiliar with the local practices and so it took longer for them to adapt to the locally-efficient skills and mentality. Nevertheless, empirical findings showed that the growing number of overseas graduates in the workforce and the entry of foreign firms have influenced participants' perspectives in management and managerial roles.

To conclude, the discussion between the empirical material and existing theories suggest that there is a direct relationship between the current economic development and practitioners' management understanding. This is supported in debates of convergence and divergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Ralston et al., 1997; 2008; 2015; Robertson, 1995). At the same time, participants' narratives also indicated a hybrid approach, as identified in theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015), due to the emergent influences of a previous economic ideology, cultural values and changes in the current socio-economic development.

#### **d. Political institutions**

The influence of political institutions on local management understanding has created a two-way impact between formal institutions and local practitioners. Narratives emphasised the negative impact of local politics yet highlighted the advantages of being involved in politics for Mongolian managers.



Accounts suggested three main indicators of the negative impact, which are a) instability of local government by appointing several Prime Ministers within the same parliament, b) frequent changes in key business and foreign investment laws and legislation, and c) the over-involvement of local authorities in business activities including pricing and discouraging market competition.

The role of government and regulatory institutions in establishing a stable business environment is not a new idea in Western-developed management theories and international business literature (e.g. Holmes et al., 2013; Scott, 2013). Institutional theory scholars argued that formal institutions established by government play a key role in setting up guidelines amongst societal members and promote stability in society and economy through laws and legislation (e.g. North, 1993; Scott, 2013). Holmes et al., (2013) considered that the institutional structure differs in each country due to the political regime or level of economic development, however it is fundamental in influencing the establishment of the business environment. Correspondingly, all three groups of participants stressed the importance of local government forming a legally supportive environment for domestic and foreign businesses and investors. Many practitioners shared their disappointment over the performance of the local government since 2011, which corresponded with Holmes et al., (2013) argument of emphasising the role of political institutions in causing the local business environment to fail or flourish through forming rules and regulations, political process and power distribution.

Furthermore, narratives of all three groups suggested that practitioners are urged to deal with the current situation rather than pre-planned activities. Many highlighted the negative impact of frequent amendments in key laws and legislations, which tend to change after each general parliamentary election. Simultaneously, practitioners drew attention to the fact that poor planning practices among practitioners is rooted in local political and economic uncertainty.

Accounts of private sector managers highlighted the over-involvement of local authorities in pricing strategies, which discouraged competition and the organic growth of businesses in the local environment. Showing preference to state-owned enterprises in taxation created a major disagreement between the private and public sectors.

Narratives of all Mongolian participants suggested that they are required to take precautionary action due to the pressure of local political institutions. Consequently, the majority of native practitioners in this study admitted they were a member of one of the main political parties in Mongolia and took an active interest in local politics. Dalaibuyan's (2012) study about informal networks found that Mongolia was ranked highest by its political initiatives and members of political parties amongst former Soviet countries. Similarly, the demographic result of this study indicated that 18 out of 26 Mongolian managers belonged to a major political party for networking with influential individuals and to share their industry expertise in forming new laws. Non-Mongolian managers were not members of any political party, however, their accounts suggested that having influential names in their networking circle was common.

Additionally, participants explained that their active engagement in politics was because the key business laws are subject to change depending on party in power, which further makes long-term planning impossible. Narratives suggested that they focus on dealing with the current issues rather than thinking strategically for future development. This has resulted in local practitioners becoming more reactive rather than proactive in their perspective towards management and managerial roles. Some non-Mongolian managers suggested that the poor planning practice is inherited from socialism and that the development of local politics is failing to keep up with economic development. Likewise, many participants stressed that current and future business projects have been postponed due to the unstable legal environment. This follows Henisz and Delios' (2002) argument that political uncertainty plays a key role in market entry decisions by foreign companies, which further influence management practices.

Although, the narratives suggested that engaging in political activities was necessary to protect their business from volatile changes in the current economic and political climate, some accounts indicated, as well as prior literature notes (e.g. Ewing and Ramaseshan, 2015) that getting involved in political activities could be advantageous for business practitioners. Narratives of younger managers indicated that becoming a member of one of the major parties enabled them to gain some advantage through extensive networking with executives. Also, they added that sharing their industry knowledge helped to create regulations for new areas of business. The socialist-era managers' reason for joining a political party was inspired by honour and entitlement more than for gaining commercial advantage.

Hence, empirical findings suggested that political institutions have a greater impact on creating stability in the local business environment, as well as practitioners' perspectives in management and managerial roles, than was previously thought. At the same time, it indicated that managing and business practitioners could also influence formal institutions by engaging in political activities and benefit from their networking with senior officials in Mongolia.

### **Summary of contextual influences on understanding management**

The second main section of this chapter analysed the contextual influencing factors in local management understanding from empirical and theoretical perspectives. The theoretical discussions indicated that changes in local culture and institutions have equally influenced participants' understanding of the conception of a manager, management and managerial roles.

The theoretical framework of 'three levels of culture' (Schein, 1985; 2010) helped to explain the intrinsic vista metaphor in Mongolian practitioners' understanding of a paternalistic and guardianship approach. The use of informal networking to access goods and services or gain favour through business links, and the practice of nepotism were similar to some indigenous

management models. Therefore, the literature on indigenous management theories (e.g. Holtbrügge, 2013; Jackson, 2013) was used to address the role of a deep-rooted cultural ethos to explain the locally-meaningful constructs in the narratives. Furthermore, participants' accounts suggested that the single ethos of local culture was insufficient in interpreting managerial approaches. Instead, it suggested that investigating the basic assumptions or locally-meaningful constructs are but a stepping stone to building a management concept in the given context.

The empirical material indicated the intertwining influences from previous and existing socio-economic ideologies and political institutions in local managers' understanding towards their daily work. Socialist-era managers' accounts particularly emphasised the legacy of a planned economy compared to transitional-era and non-Mongolian managers. However, all three groups acknowledged that a collegial culture, a preference for economising rather than generating income, using fear and pressure to improve individual accountability and one-way communication in decision-making and negotiations are common approaches. Studies of transitional economies (e.g. Linz and Chu, 2013) and comparative studies in managerial behaviour in former socialist countries (e.g. Van Vugt et al., 2004; Judge, Naoumova and Douglas, 2009) have been adapted to theorise the influence of the previous economic ideology in the empirical findings.

The influence of economic institutions adapted institutional theories and varieties of capitalism perspectives (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007) to highlight the friction between economic institutions and companies (managers). Studies of transitional economies (e.g. Drahokoupil and Myant, 2015; Linz and Chu, 2013) supported the narratives that indicated challenges in adapting to current economic ideologies. Narratives of younger and older participants created distinct differences in their management understanding and roles. Hence, the convergence-divergence-crossvergence debate (e.g. Brewster, Mayrhofer and Cooke, 2015; Ralston et al., 1997; 2008; 2015) was borrowed to

examine the three groups of managers' narratives on adapting Western management techniques into their understanding.

The final influence that emerged as a key contextual factor was the impact of local political institutions in the narratives. Institutional theories examined the role of politics and formal institutions (e.g. Holmes et al., 2013; North, 1991; Scott, 2013), and varieties of capitalism which focussed on an individual institution's competitive advantage (e.g. Friel, 2011; Morgan, 2007). Empirical findings supported the arguments of both theoretical views by indicating the two-way influences between local political institutions and managing practitioners. Narratives highlighted that the interference by local government in the business environment created tension between local firms (managers) and formal institutions. Moreover, the high level of involvement in politics by Mongolian managers in this study, indicated that political institutions have an impact on the business environment at a macro level, as well as daily managerial activities at a micro level. Although, a manager becoming a politician or member of a political party is circumstantial, it was evident that influences between political and legal institutions and business and management practitioners works both ways in Mongolia.

To conclude, the local managers' understanding of the concept of a manager, management and managerial roles have four interlocking influences of a nomadic culture, socialist legacy, market economy and instability of political institutions. Each contextual factor is ingrained in the local practitioners' perspectives on managing and being managed in contemporary Mongolia.

### **5.3 Defining the Mongolian approach to management**

This is the concluding section to the discussion chapter and answers the main research question of ‘what is the understanding of management in the Mongolian context?’.

The first half of the discussion presents the challenges of defining the local approach by indicating the intertwining contextual factors in the empirical findings and co-existence of multiple conceptual frameworks in the theoretical discussions, followed by highlighting the emergent themes of a socialist legacy and political influences. This chapter ends by drawing a conclusion on the integrated framework encompassing the Mongolian approach to management to demonstrate the reactive nature of local practitioners’ understandings in the current situation.

#### **a. Challenges of defining the Mongolian approach to management**

Constructing a management concept is not the simplest task due to its complex nature (e.g. Down, 2012; Mintzberg, 1973; 2009). When it came to constructing the integrated framework of the Mongolian approach to management, challenges aroused to select the most appropriate conceptual framework that is able to nuance the rich and complex nature of the empirical findings.

Empirical findings in the local practitioners’ understanding of the concept of a manager, management and managerial roles was supported from both literature on management in both Western and non-Western contexts. This study has attempted to neither impose Western writings, nor exoticise non-Western perspectives on to the empirical findings. Hence, the notion of a manager and concept of management have been examined using management studies with a qualitative approach (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999). Managerial roles have been examined using literature developed in relation to management in both Western and non-Western contexts

(e.g. Holtbrügge, 2013; Jackson, 2013; Mintzberg, 1973; 2009; Tsui, 2004; Watson, 2013a; 2013b).

Being a nomadic country with a previous history of socialism and entering the global market since the 1990s, the country's circumstances fit into the category of a non-Western country with an emerging economy. At the same time, due to the strong indication of traditional culture and values being embedded in local managers' understanding, this study can safely claim to be a part of indigenous management theories to define the concept of local management. Advocates of indigenous management studies argued that local management can be understood by examining locally meaningful constructs using the local language (e.g. Farh and Cheng, 2000; Tsui and Farh, 1997). The empirical findings indicated a significant influence of the traditional nomadic culture and social hierarchy in native participants' shared perspectives. Concepts of *my mountain* or a symbolic relationship between people and their home province were common in the narratives of Mongolian managers. This is in agreement with scholars, who have studied Mongolian cultural anthropology, who claimed that a nomadic culture and society can be described by the spiritual meaning and relationship between land and humans, which dictates the concepts for moral practices (e.g. Hancock, 2015; Wickham-Smith, 2013a). Likewise, the ideas of funding a Home Council, favouring '*nutgiin hun*', being a parent or guardian to subordinates or keeping an artefact that has a symbolic and spiritual meaning was common among native participants. Moreover, the notion of a '*golden thread*', which claims a connection with ancestors, and being responsible for descendants also corresponds with the idea of a home county or *my mountain*. Additionally, the narratives indicated a similar understanding to the indigenous management concepts of *clanism* (practice of nepotism in Kazakhstan), *guanxi* (importance of building an informal network in business relations in China) or *ubuntu* (community spirit in Africa).

All the above comparisons position the Mongolian approach to management in an indigenous management concept by claiming the deep-rooted cultural ethos of a symbolic relationship

between land and humans. Therefore, this study acknowledged the significance of examining the locally meaningful constructs to understand management in a non-Western context. At the same, it criticised the over reliance on local culture in indigenous management theories, as the empirical findings indicated non-cultural factors which should be considered in tandem. Simultaneously, this study questioned the limited theoretical arguments of how indigenous management concepts differ from divergent views, as first noted in 1969 by Webler and extended by Ralston et al. (1997; 2008; 2015) into a Convergence-Divergence-Crossvergence framework or basic assumptions of the ‘three levels of culture’ (e.g. Schein, 1985; 2010). Both Ralston et al. (1997; 2008; 2015) and Schein (1985; 2010) highlighted the role of national culture or locally meaningful concepts in management behaviour in an organisational or non-Western context, but there was limited relevance of those theoretical views in indigenous management theories. Therefore, this study avoided exoticising local management understanding as *indigenous* and did not choose indigenous management theories as a key conceptual framework.

Locating the apparent and emergent influences from the socialist legacy into a theoretically sound framework emerged as the next challenge in this study. Empirical findings indicated the socialist ideologies of a comrade culture, informal networks among formal colleagues, an autocratic approach in leading, followed by a preference for one-way communication in decision-making and negotiating. Narratives suggested that older practitioners’ understanding of management had a stronger influence from socialist principles than their younger counterparts.

Existing studies in transitional economies noted the influence of socialism on work ethics (e.g. Linz and Chu, 2013), generational differences (e.g. Van Vugt et al., 2004) or valuing group reward (e.g. Judge, Naoumova and Douglas, 2009) among managers in former Soviet countries. However, analysis of this study illustrated that the legacy of socialism was not a partial influence on some managerial roles but was deeply embedded in practitioners’



understanding of the concept of management. Empirical findings suggested that the influence of socialism is stronger in older practitioners' perspectives compared to younger managers. Simultaneously, participants from the public sector tended to emphasise a command-led approach in their understanding towards communication and decision-making. This reflected Zimmerman's (2012) observation that the *darga nar* (manager/boss), had the main function of controlling which tended to be idiosyncratic, and promoted equality and group effort, which was measured only by quantity generated during socialism.

In addition, the analysis of narratives of older managers raised the idea that socialist values have replaced the traditional understanding of management and work ethics. As stated by older Mongolian managers, the communist ideology and state-controlled industrialisation brought a dramatic change to the nomadic way of living, tradition and customs by creating collective herders' farms (*negdel*). This made fundamental changes to the traditional way of managing and leading. Humphrey and Sneath (1999: 78) defined collective herders' farms as a 'total social institution' which had a strong cultural, political and economic identity as opposed to other state institutions. Narratives suggested that state-control, a planned economy and commanding leadership demolished the traditional nomadic way of flexibility in work, free movement, self-initiative and accountability. Some accounts of non-Mongolian managers defined socialism as 'cultural genocide' (N-5, Private sector, M, 11 years of experience) for Mongolians by dismissing the traditional nomadic values of loyalty, individual commitment and charisma, and compelling it to rely heavily on the Marxist doctrine. Consequently, as far as local managers were concerned, the traditional Mongolian management understanding which was based on nomadic values had been replaced or converged with socialist ideologies which were '*brought by Russian brothers*'.

Extant studies on the notion of convergence often refer to the dominant influence of Western management thinking and current economic ideologies in local management practices of emerging and non-Western countries (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar,

Varma and Patel, 2016; Ralston et al., 1993; 2008; 2015). By contrast, the divergence perspective denies Western influence and emphasises the role of local culture in management practices (e.g. Budhwar and Bhatnagar, 2008; Linz and Chu, 2013; Malik and Rowley, 2015; Rowley and Cooke, 2010). Theories of crossvergence acknowledge both cultural and institutional effects on local management thinking and argue that management practices in emerging countries create their own approach that is influenced by local culture, society and current economic ideology (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015). This study adapted theories of crossvergence to examine the intertwining contextual influences as narratives indicated differences among the three groups of managers' understanding of the concept of management and managerial roles. Empirical findings supported the co-existing nature of divergence (nomadic culture and traditional social hierarchy), convergence (growing influence from Western management techniques), and crossvergence (participation in political activities, quick decision making and learning for self-development) in the local understanding of management. Hence, the conceptual framework of this study drew on Ralston et al.'s (1997; 2008; 2015) theories of crossvergence with a critical insight.

Conceptually, Ralston et al. (1997; 2008; 2015) argued that crossvergence exists between the current economic ideology and local culture in non-Western countries, including former socialist countries. Empirically, the narratives indicated the significant influence of a socialist legacy. The disparity between the empirical findings and the theoretical framework indicated the interchangeable nature of management and managerial approaches in emerging markets. Simultaneously, it challenged the theoretical view that management is static before the entry of Western influences in non-Western countries (e.g. Ralston et al., 1997; 2008; 2015). As the empirical evidence suggested substantial influences from local political institutions and the socialist legacy, this study recognised the limitations of the theories of crossvergence. It overlooked non-economic institutions, as well as ignoring previous political and economic ideologies in examining the degree of convergence, divergence or crossvergence in local

management thinking in non-Western contexts (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015). Hence, the contextual influencing roles of local political institutions were examined with institutional theories and varieties of capitalism (e.g. Friel, 2011; Hall and Soskice, 2001; Scott, 2013) and the socialist legacy with studies of transitional economies (e.g. Drahokoupil and Myant, 2015; Linz and Chu, 2013).

To sum up, incorporating literature on the nature of management and managerial work (e.g. Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999), indigenous management concepts (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004) and theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015) supported the multi-layered conceptual framework for answering the main research question. At the same time, conceptual discussions highlighted the limitations of existing theoretical models to answer the main research question as both Western and non-Western studies raised conflicting arguments. Therefore, to answer the main research question was impossible within any pre-established theoretical framework. Also, the rich nature of the empirical material required more than a management model to illustrate the intertwining contextual factors, including the socio-cultural, legal, political, economic and legacy of socialism to present an understanding of Mongolian management.

#### **b. The local approach to managerial work**

Throughout the narratives, the local practitioners created distinct differences and similarities in defining the concept of a manager and managerial roles. Older managers' perspective of describing who a manager is was inspired by the traditional hierarchy of paternalism, and used the analogy of 'to be a parent', whereas younger managers' accounts emphasised on 'business developer' or 'owner'. Non-Mongolian managers used 'business and people developer' to reflect their roles in staff training. Each term was rooted in participants'

experiences, local socio-cultural and economic changes, as well as the political circumstances of the country. Similarly, participants' understanding of managerial roles and common approaches was influenced by various contextual factors.

The research discussion suggested that local practitioners' understanding of management and managerial roles had more influencing factors than simply a national culture and the current economic system. Empirical findings indicated that there were intertwining influences from the traditional nomadic heritage, socialist legacy, existing economic ideologies and political influence. Each factor was studied separately in existing literature either by focussing on culture (e.g. House et al., 2004; Schein, 1985; 2010), institutions (e.g. Holmes et al., 2013; North, 1991; Scott, 2013), or varieties of capitalism (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). Theories of crossvergence attempted to bridge the cultural and institutional influences by linking the divergent impact from local socio-cultural values and the convergent impact from current economic ideologies (e.g. Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). However, the study findings strongly indicated the influence of local politics and previous economic ideologies in the narratives. Hence, this study argues that there are more influencing factors than merely culture and current economic ideologies in examining crossvergence in non-Western contexts.

Furthermore, the co-existing influences of national culture, socialist legacy, economic pressure and instability of political institutions have equally shaped managers. This has created a hybrid approach that sits between nomadic cultural values, Western management techniques, and socialist ideologies for contemporary Mongolia. The hybrid or 'sandwiched' approach created by local practitioners in their management understanding has been examined with convergent and divergent debates (e.g. Budhwar and Bhatnagar, 2008; Linz and Chu, 2013; Malik and Rowley, 2015; Rowley and Cooke, 2010), and theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015).

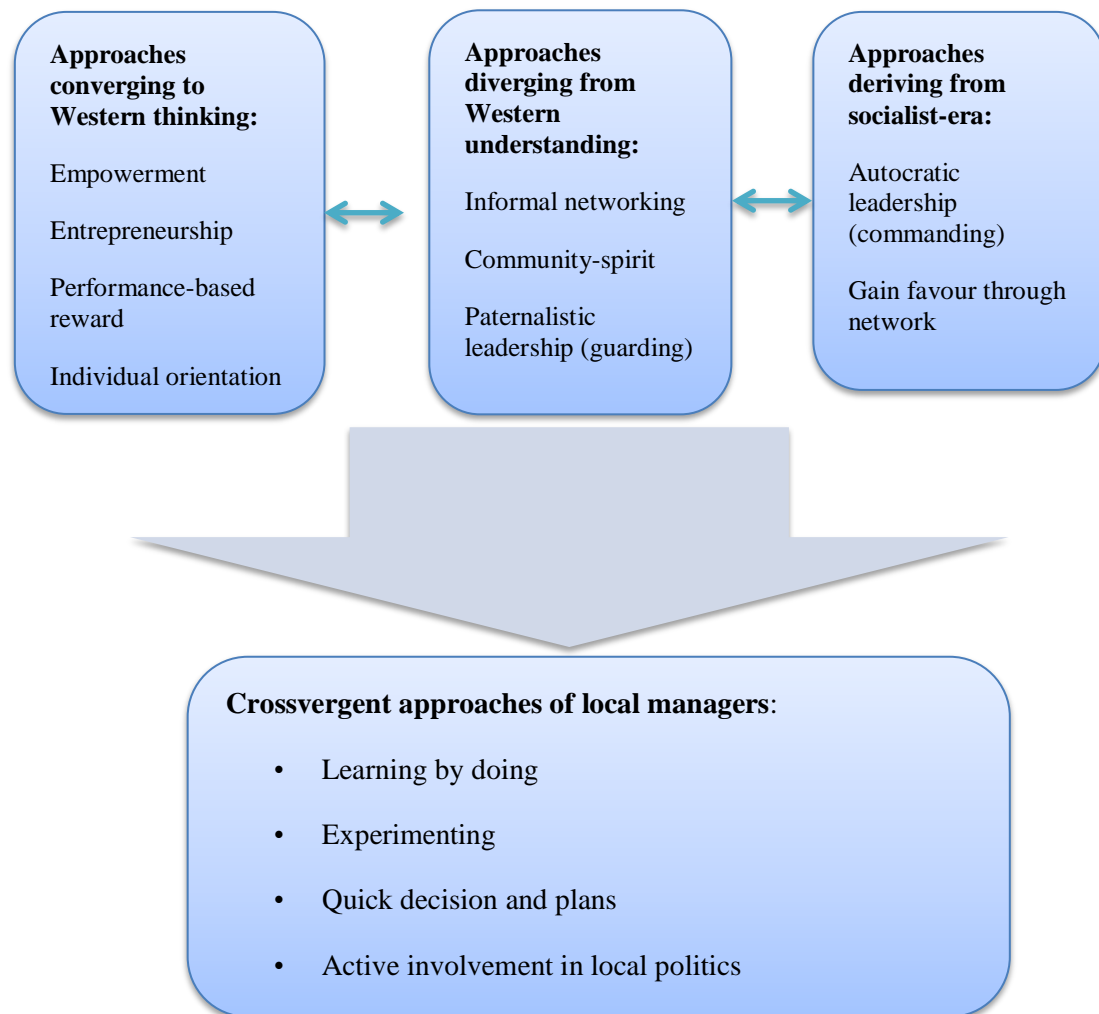
Convergence or ‘glocalisation’ (Robertson, 1995) defined a new value system which examined current business and economic trends within the existing socio-cultural values with the recognition of cultural dynamism (e.g. Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). Ralston et al. (1993) first defined crossvergence as ‘in between in value created by national culture and the current economic system’, and at a later date he changed this to ‘something different’. This supports the view that each country may develop their own unique system supported by national culture and current economic systems (e.g. Ralston et al., 2008; 2015). Under swift changes in local political, economic, and legal systems since the 1990s, Mongolian practitioners have progressed through a series of new challenges and opportunities. They have witnessed rapid growth in local economy that has gone from unemployment to full employment and no income to high income within a decade, followed by the hasty downturn in the local economy in the last three years. Consequently, the series of unpredictable changes have created disarray in the local business environment, and managers have had to react rather than create to ‘survive’ in such uncertainty. Managerial work is complex and managers are required to cope in any given situation (e.g. Down, 2012; Mintzberg, 1973; 2009) and so have formed an idiosyncratic approach that enabled them to perform within the past and present social-economic situations in Mongolia.

Accounts of local practitioners provided the four main managerial roles of leading, networking, learning and personal development, and decision-making and negotiation with contrasting attitudes and approaches to each other. In many cases, younger Mongolian participants’ accounts supported non-native managers’ views in terms of conducting business including their approach towards leading, encouraging empowerment and personal competency, as well as rewarding individual achievement. Conversely, older Mongolian practitioners’ narratives were more in line with socialist ideologies and a traditional social hierarchy. Although, there were contradictory views in participants’ approaches due to different life experience and formal training, it was impossible to categorise each cohort of managers in a specific measure. To illustrate, the narratives of non-Mongolian participants

suggested a preference for empowerment, however the co-existing themes of controlling and pressurising emerged in all three groups. Similarly, narratives indicated co-existing themes in managerial approaches and understanding between all participants.

The analysis of the empirical findings supported the theoretical argument that managerial work is complex and situation-dependent (e.g. Down, 2012; Watson and Harris, 1999; Watson, 2013a; 2013b), and that managers adapted their approach to their role accordingly. Moreover, local practitioners' understanding of being a manager, daily roles and approaches were based on being Mongolian, formally trained during or after socialism and going through socio-economic and political changes in the business environment. Therefore, local managers' approaches have influences from traditional culture which diverge from a Western understanding on managerial best practices in conjunction with informal networking, nepotism, or developing kinship relationships. Also, it had convergent influences from the Western management techniques of empowerment, risk-taking, entrepreneurship, and performance-based reward or monetary incentives. Furthermore, there was an inevitable contextual influence from a socialist legacy in the preference for an autocratic or leadership approach with commanding communication, a strong collegial culture or accessing goods and services through informal networking and the bureaucratic nature of decision-making. As well as converging, diverging and socialist-inherited approaches, local managers' active roles in political events, poor planning practices, and experimental management methods or learning-by-doing were unique amongst study participants. They linked their lack of planning or needing to switch between different roles to the current economic and political situation in Mongolia. That indicated that the role of government and formal institutions' intervention in the local business environment could further influence organisational and management functions (e.g. Holmes et al., 2013; Morgan, 2007).

The table below illustrates local approaches to managerial work that emerged in local managers' narratives:



**Table 5.2** 'The local approach to managerial work'

The above table illustrates the intertwining roles and approaches among local managing practitioners. The fact of an active co-existence of several roles in the narratives indicated their shared experiences of going through rapid change in the local cultural and institutional contexts.

#### 5.4 Conclusion: The Mongolian approach to management

Finally, the discussion chapter aims to draw a conclusion by presenting the integrated framework encompassing ‘The Mongolian approach to management’ to represent the interwoven contextual factors in local management understanding and approaches currently.

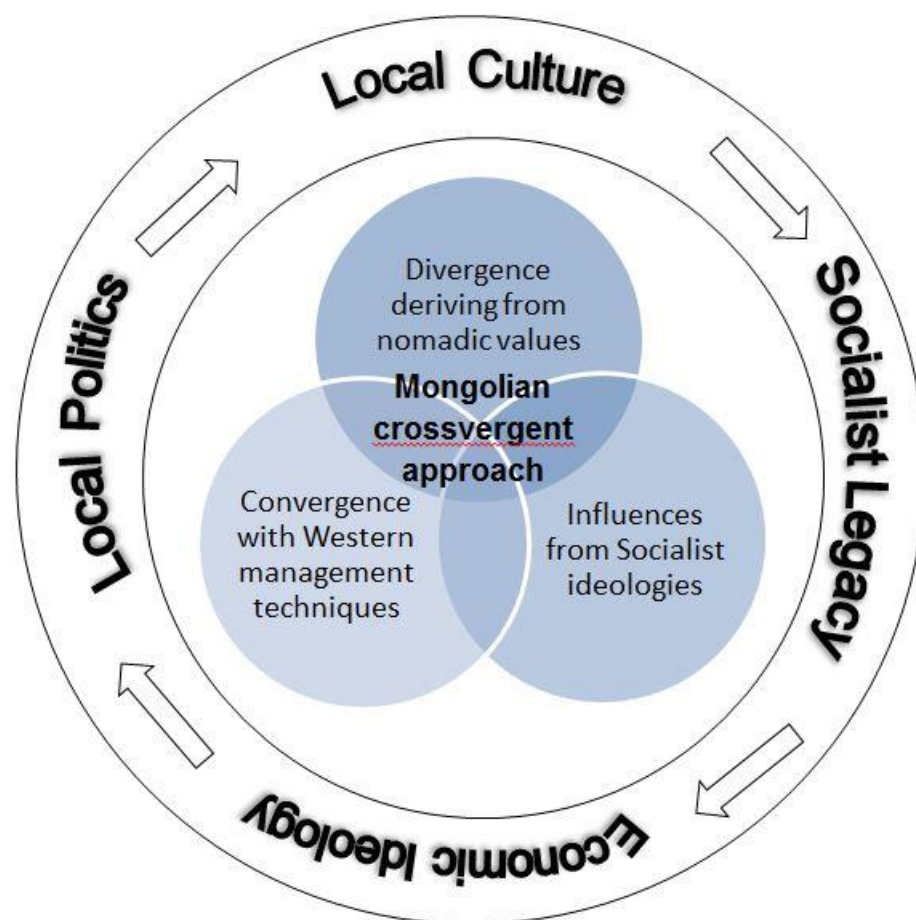
The study analysis indicated that the understanding of the concept of management is not a new idea among local practitioners. The terms of a manager, management or managerial roles emerged after the 1990s in Mongolia. However, the understanding and practice of management has always existed, whether it is handling ‘*five-snouts*’ (horses, camels, cows, sheep and goats) with the nomadic traditions of leadership before the socialist period, or working towards Communism under *darga nar* (masters) control in socialist Mongolia. The linguistic terms have changed over the years, but the general conceptions of being managed, or managing others, remained similar, although the understanding of management has been shaped by practitioners of differing societies and cultures.

In relation to the contemporary understanding of the concept of management, the country’s unique situation of cultural and institutional changes has had an influence on local practitioners’ perspectives. Narratives emphasised the growing demand for adapting to internationally-recognised standards due to working with foreign investors and commerce. Particularly, accounts of younger Mongolian managers highlighted the benefit of familiarising themselves with Western management techniques and shared their experiences of experimenting with some methods. At the same time, the inherited habits from a socialist-way of working were still active influences. The amended Constitution in 1992 guaranteed the freedom of religion, speech and travel. This has enabled managers to become members of their Home Council, and most native Mongolian managers highlighted the symbolic meaning of their ancestral lineage, or a ‘*golden thread*’, in shaping their management perspectives. Participants’ connecting themselves to their birthplaces, looking after distant relatives or attending ritual ceremonies for ‘*my mountain*’ suggested that culturally-rooted basic



assumptions remain in the local managers' perception towards position and duties. Considering the varieties of contextual factors, the Mongolian approach to the management framework could not rely on a single phenomenon such as *guanxi*, *ubuntu* or *clansim*, nor follow a pre-established framework. Instead it created its own integrated framework to demonstrate how local managers' understanding and approaches are constructed through an intertwining contextual background. The integrated framework below represents the Mongolian approach to management and the co-existing influences.

**The Mongolian approach to management:**



**Figure 5.1** The Mongolian approach to management

Empirical findings and study analysis indicated that the understanding of Mongolian management is influenced by local culture, society, economy and politics, and co-exists with nomadic values, socialist ideologies and capitalist thinking. Furthermore, examining concurrent approaches by participants who are being challenged to keep abreast of cultural and institutional changes, both previous and existing, means there is an inclination to lean towards a reactive nature of management among local practitioners. The understanding of Mongolian management and managerial roles by practitioners have convergent influences from Western management thinking in terms of conducting business, and a divergent impact from traditional society and a nomadic inheritance in communication and dealing with people. The legacies of socialist ideologies remain in both business and people relations at this current moment. Consequently, the integrated framework of Mongolian approach to management demonstrates that the local practitioners' understanding of the concept of management has a '*crossvergent approach with multifaceted contextual factors*' to serve their organisations now and in the foreseeable future.

## **CHAPTER SIX: CONCLUSION**

### **Chapter overview**

This research built an understanding of management in the context of Mongolia by exploring local practitioners' shared views of management, a manager and managerial approaches within the contextual settings of the local socio-cultural and institutional changes. Following extensive discussions and theorisation of relevant theoretical papers in previous chapters, this chapter concludes the thesis by presenting the conceptual and empirical contributions of the study. Simultaneously, it recognises the limitations of the current study, and provides suggestions for further research. The chapter ends with my personal reflections of conducting this study and the valuable lessons I learnt.

### **6.1 Conceptual contributions**

This study attempts to contribute to three bodies of literature in cross-cultural management studies by extending the theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015), followed by the under-examined notion of management in indigenous management literature (e.g. Holtbrügge, 2013, Jackson, 2013; Tsui, 2004), also to highlight the role of societal expectations and perspectives of non-native practitioners in understanding the nature of managerial work (e.g. Down, 2012; Watson and Harris, 1999; Mintzberg, 1973; 2009; Watson, 2013a; 2013b).

The conceptual contributions of the study are presented in the following three sections;

### **a. Contributions to cross-cultural management studies**

This study makes several suggestions to contribute towards the literature on cross-cultural management studies.

First of all, this research extends the theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015) by incorporating previous political and economic ideologies as an element of crossvergent outcomes. Empirical findings indicated a deep embeddedness of socialist work ethics and values in native Mongolian participants' understanding towards management, a manager and managerial roles. Debates of convergence and divergence highlighted the roles of national culture and the current economic ideologies in non-Western management understanding and practices (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung et. al., 2005), followed by combining both in a crossvergent approach (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008) and Ralston et al. (2015) extended theories of crossvergence by identifying the role of societal changes. However, the current study identified the significant impact of previous economic ideology and the influence of local political institutions in the narratives. Therefore, this study suggests that management understanding in emerging countries could have more influencing factors than simply national culture and the current economic ideology. Furthermore, it extends theories of crossvergence by signifying the roles of previous economic and political ideology in examining management understanding in a non-Western context.

Moreover, the narratives of Mongolian managers emphasised that the previous economic and political regime had changed the traditional understanding and approaches of management. The phrases of '*brought by Russian brothers*' or '*it is not the Mongolian way*' were frequently used. This demonstrated how the communist principles of 'controlling and commanding' had superseded the traditional nomadic leadership and work ethics, which were based on charisma and morality. Therefore, the emergent statement of the traditional way of

managing converged with socialist ideologies signals the idea that *management has never been a static process*. The existing debates of convergence and divergence argue that management development in non-Western countries was static before Western influences and based on the relationship between local culture and the influence of the current economic ideology (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Katz and Darbishire, 2000; Leung et. al., 2005; Ralston et al., 1997; 2008; 2015). This research argues that management development in non-Western countries has influences from previous political and economic ideology and was converging before the arrival of Western influence. Hence, *crossvergence is an ongoing process* through the development of management that evolves from the past to the present cultural and institutional circumstances.

Finally, this study suggests considering varieties of contextual factors in examining management understanding in non-Western countries. Literature on management in relation to both Western and non-Western contexts agreed that it is context-dependent (e.g. Down, 2012; Holtbrügge, 2013; Jackson, 2013; Watson, 2013a; 2013b). However, contextual influencing factors were examined in separate works including the roles of culture through organisational culture (e.g. Schein, 1985; 2010), the impact of institutions through institutional theories (e.g. Holmes et al., 2013; North, 1991; Scott, 2013) and varieties of capitalism (e.g. Deeg and Jackson, 2008; Friel, 2011; Morgan, 2007). Furthermore, this research shows the interconnection between culture and institutions by indicating the significant influences of informal networking, personal ties and kinship relations in the economic and legal framework and their consequent decisions. Although this study did not intend to examine the correlation between culture and institutions, the empirical data supported the argument that the institutional development in the ‘transitional periphery’ of Mongolia differs by its cultural dynamics, regional differences and historic background from other post-socialist countries in central and Eastern Europe (e.g. Arslan, Tarba and Larimo, 2015; Lane, 2010; Wood and Demirbag, 2015). The parallels between culture and institutions were examined through the theories of crossvergence in non-Western countries by identifying

the influence of the national culture and current economic ideology in management understanding (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). However, the emerging empirical evidence and analysis identified that the further influences of previous economic ideologies and socio-political circumstances have been incorporated into the understanding of management in Mongolia in equal measure. Therefore, this study suggests that *the key contextual influencing factors* should be *analysed together* rather than individually. Moreover, this study recognises that the theories of crossvergence overlooked the non-cultural and non-economic factors. Hence, this study contributes to theories of crossvergence by signifying the role of previous economic ideology and political institutions in understanding management in a non-Western context with an ethnographic approach.

#### **b. Contributions to indigenous management theories**

The second main conceptual contribution of this study is to the existing body literature on indigenous management theories. This research made several suggestions in relation to examining the notion of management and the contextual influencing factors in constructing indigenous management concepts.

Firstly, the thesis has found that management practices have more influencing factors than just a single deep-rooted cultural ethos (e.g. Das, 2009; Minbaeva and Muratbekova-Touron, 2013; Tsui, 2004). The findings underline the importance of considering the past and present history of economic development and socio-political change in constructing a management concept. The emergent influences of a nomadic culture, socialist legacy, current market economy and political interference in the narratives provided an intertwining contextual framework for interpreting local management practices. Conceptually, the study findings indicate how the deep-rooted cultural ethos of *guanxi* in China (e.g. Tsui, 2004) *dharma* in India (e.g. Das, 2009) or *clanism* in Kazakhstan (e.g. Minbaeva and

Muratbekova-Touron, 2013) have limitations as they overlooked the dynamic nature of culture, as well as the increasing number of foreign firms and overseas graduates in emerging markets. Therefore, this research proposes that extending a deep-rooted cultural ethos to a broader framework to enable examining other interlinking conceptual factors may give a more detailed analysis.

Secondly, by investigating management and managerial responsibilities from the practitioners' perspective within the context of an emerging and transitional country, this thesis raised the notion of management in indigenous management theories. Existing theoretical frameworks emphasise *context-specific constructs* (Tsui, 2004: 501) by examining local philosophical and cultural ideologies in local human resources or leadership management practices in non-Western countries. However, limited conceptual and empirical arguments have been developed to investigate the notion of management. This study extends indigenous management literature by highlighting the importance of exploring the notion of management from the practitioners' viewpoint. An attempt has been made to build an integrated framework that can be used to explore the management understanding, and managerial approaches in emerging countries, which have experienced similar socio-economic and political transitions to Mongolia.

### **c. Contributions to the understanding nature of managerial work**

This study extends the studies of the nature of managerial work (e.g. Watson and Harris, 1999; Mintzberg, 1973, 2009; Watson, 2013a; 2013b) by identifying the role of current social norms and expectations. The traditional approach emphasised roles and responsibilities to achieve results in the business environment (e.g. Fayol, 1916; 1930; Mintzberg, 1973; 2009), or highlighted the importance of personal experience in 'becoming' a manager (Watson and Harris, 1999; Watson, 2013a; 2013b). Organisational ethnographers explored organisation and management through interpreting symbolic and material rejuvenation and perception

(e.g. Johansson, 2012; Kociatkiewicz and Kostera, 2012; 2015; Shortt and Warren, 2012; Śliwa, 2013; Śliwa and Riach, 2012). However, this study found that the expectations from current society and previous shared experiences impacted on management in all three groups of managers. Narratives of socialist-era managers indicated that being a manager meant being an honest and respectful member of society, which directly related to their experiences of being trained during socialism. Active participation in '*Nutgiin Zovlol*' (a voluntary-run association that promotes the home parish of individual managers), and favouring '*nutgiin hun*' were obligatory for Mongolian managers, regardless of their age or experience. Thus, this study suggests that practitioners' understanding of management, being a manager and managerial roles are influenced by their past experiences as well as expectations from current social norms. Hence, examining both together to understand the nature of managerial work allows the researcher to see beyond specific roles and responsibilities within organisational and business activities.

Finally, this study asked the opinions and experiences of non-native practitioners to examine the local concept of management. By including their narratives, this study offers a new perspective to both cross-cultural management literature and indigenous management theories by underlining the emergent profile of non-native managers. Earlier studies often created a disparity between home and host countries, and investigated the influence of Western management practices on emerging countries (e.g. Linz and Chu, 2013; Ralston et al., 2008; 2015) or how non-native managers cope (e.g. expatriate studies: Bhaskar-Shrinivas et al., 2005; Littrell et al., 2006). Opposing the 'formal' cross-cultural management and international business studies, the empirical findings discovered that a) there is a growing number of non-native managers, who have settled or worked for a prolonged period of time in the country, b) non-Mongolian or non-native practitioners have as much influence as local managers in shaping the local managing practices through co-working, training, collaborating, and conducting business and c) non-native practitioners have their management styles influenced by the local workforce. Therefore, this study responds to calls for creating a



globally relevant crossvergent management framework for an ever-growing global business environment (Chatman and Jehn, 1994; Chatterjee 2009).

To summarise the conceptual contributions of this study to the academic literature on cross-cultural management studies, nature of managerial work and indigenous management theories are as follows:

Existing body of knowledge	Conceptual contributions
Theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015)	<ul style="list-style-type: none"> <li>• Previous political and economic ideology incorporated as an element of crossvergent outcomes.</li> <li>• Political and legal institutions added to Ralston's original focus on economic and cultural aspects.</li> <li>• Crossvergence as an ongoing process rather than static.</li> </ul>
Indigenous Management Theories (e.g. Holtbrügge, 2013; Jackson, 2013; Tsui, 2004)	<ul style="list-style-type: none"> <li>• Deep-rooted cultural ethos is only one of the many factors forming local understanding and approaches to management.</li> <li>• Examining the understanding of local practitioners is important to construct the notion of management in non-Western contexts.</li> <li>• Inclusion of gender in understanding the concept of management.</li> </ul>
Nature of Managerial Work (Down, 2012; Mintzberg, 1973; 2009; Watson, 2013a; 2013b; Watson and Harris, 1999)	<ul style="list-style-type: none"> <li>• Managerial work is influenced by shared societal experiences and norms.</li> <li>• There are varieties of players in local management practices.</li> </ul>

**Table 6.1** 'Conceptual contributions'

As a whole, this study brings new perspectives to understanding the complexity of managerial work in emerging countries by examining theoretical arguments in relation to

Western and non-Western contexts, and empirical material to identify the local manager's comprehension within the contextual settings of socio-cultural and institutional changes in Mongolia.

Finally, the depth of empirical material and extensive theoretical discussions in international and cross-cultural management studies enabled this study to claim to be the first benchmark study on Mongolian management conducted in English. In recent years, Mongolia has gained attention from both business and research audiences. Consequently there is a renewed interest in Mongolian studies, focussing on local foreign relations and socio-economic situations on an international scale (Bayarsaikhan, 2016). Therefore, the contributions of this thesis are not limited to academic literature on cross-cultural management and the nature of managerial work, but also adds to the knowledge of modern Mongolia in relation to management understanding and approaches.

## **6.2 Empirical contributions**

This study has a second audience as, it contributes empirically by making practical suggestions for local managers, government and educational establishments.

### **a. Implications for local managers**

The study findings indicated several implications for all local managers. During the fieldwork, all participants addressed the lack of studies that are relevant to local business practices and would welcome some that focussed on local management understanding and approaches. Empirical findings indicated that Mongolian managers were more interested in learning from best practices within the local context, whereas, non-Mongolian managers were perplexed by their native colleagues' attitude and approach in relation to making decisions and negotiating. Therefore, implications for local managers are divided into two sub-sections.

***For Mongolian managers:***

This study indicated that the understanding of management in the local context is complicated and chaotic. The underlying dynamic and intertwining situations of local political, economic and socio-cultural changes contribute to its complex nature. Mongolian practitioners would benefit from systematic approaches in problem-solving and analysing to manage more efficiently and effectively. Several suggestions are made to allow local management approaches to become more refined and sustainable:

a. There are implications for improving analysis of internal and external situations systematically and scientifically. Incomplete calculations and last minute decisions bring the danger of overlooking other pertinent critical elements in mid to long-term business activities. Making a realistic and systematic appraisal of a current situation enables the manager to choose the most appropriate solution. Empirical material showed that management practices in different formats have always existed in Mongolia. The traditional understanding of management was inspired through a nomadic heritage, then adapted by a systematic and autocratic style of management during socialism, until transition brought new changes and challenges. Therefore, the ability of systematic situational analysis by evaluating skills and resources will assist Mongolian managers in selecting the most appropriate management method for the local context. In addition, most participants accepted that their management approaches were arrived at through experimenting and trial and error. However, adopting some Western organisational strategic techniques, such as SWOT (strengths, weaknesses, opportunities and threats) will save time and effort in increasing effectiveness in business planning and decision-making.

b. Study findings strongly indicated that there are communication gaps between older and younger managers, as well as managers, who studied overseas and those, who had graduated from local universities. The differences between socialist and transitional-era managers tend

to be more complex than between managers whose qualifications were obtained abroad or locally. The narratives of socialist-era managers illustrated their communication approach tends to be top to bottom and a preference for hierarchal decision-making. On the contrary, younger managers' narratives indicated that their preference in communication tends to be flatter and encouraged participation in decision-making. At the same time, opinions were divided in adapting Western thinking into local management approaches. Managers, who have overseas experience were keen to adapt Western techniques into their daily routine, whereas, those who had trained and worked only with local colleagues opposed the idea. However, increasing pressure from the global market and foreign investors, means that adapting to international business standards is no longer a debate, especially for those dealing with foreign clients daily. Therefore, it is essential to establish effective communication between the different generations and to collaborate, support and learn from each other to create a management approach that is suitable for both local and international standards.

c. The discrepancy between the number of graduates and the demand for a skilled workforce indicates that more collaboration is needed between businesses and local universities to prepare future managers. Narratives indicated that finding experienced staff is one of the key challenges. Many shared their frustration at the 'gap' between qualifications and technical ability in new graduates. Apparently, 89 out of 125 local universities offer business and management degrees and only 10 percent of the 15,850 new graduates are hired each year (The Ministry of Education, 2015). To decrease the 'gap' between qualifications and employable skills, local firms and universities have to work together to create relevant apprenticeship or internship programmes to provide opportunities for students. Local management and business practices have created an adequate number of potential case studies in the field of management since the 1990s. Hence, there are implications for analysing the successes and failures of local companies compared to international firms in the curriculum at local Business Schools. In return, graduates will gain the skill of critical thinking in relation to the current challenges in business and management and expand

networks through industry leaders as guest speakers. Simultaneously, local managers can share their practical knowledge and both parties can learn from each other. In general, it brings opportunities to all factions that are involved in investing in the local education system.

***For non-Mongolian managers:***

The findings suggested that non-Mongolian managers' knowledge about the local management approach and practices was very limited due to the lack of studies in the relevant context. Narratives indicated that their early perceptions of Mongolia were completely wrong in terms of workforce, literacy and infrastructure. Many admitted that the country's development, hospitable nature and business opportunities came as pleasant surprises. According to narratives, working with Mongolians has been a learning curve for many and they have been challenged to develop seamless business and work relationships. Hence, this study aimed to provide rich empirical material in relation to management understanding and approaches through narratives of native and non-native practitioners. Moreover, it presented a thorough contextual background of Mongolia in order to interpret the sense-making in managers' understandings. Thus, it contributes empirically to the current knowledge of Mongolian management for those, who are already working in Mongolia, as well as for anyone, who is interested in conducting business there. The study implications for non-Mongolian managers are as follows;

- a. There are implications for non-native practitioners to learn locally-meaningful subjects including the nomadic culture and traditions, which are integral in shaping Mongolians' values and behaviour, as well as reflected in their thinking, decision-making and work ethics. Particularly, the concepts of home land, free movement or ancestral lineage are fundamentally different from a sedentary culture, which tends to plan for the longer term (e.g. Humphrey and Sneath, 1999). The symbolic relationship between the landscape and humans

is important for interpreting locally-meaningful constructs and requires a sensitive approach in mining-related businesses. Due to growth in the mining industry, the cases of resource nationalisation and local herders' protests are on the rise (e.g. Dulam, 2016; Smith, 2012). Simultaneously, empirical material indicated that native managers tend to get involved in activities in relation to their home counties or birth places regardless of their age or experiences. Hence, understanding the locally-meaningful subjects, which are embedded in the nomadic heritage will help non-native managers to create a better understanding with their local colleagues.

b. The next recommendation for non-native practitioners is being aware that the legacy of socialism is more than mere history for native colleagues. Seventy years of a socialist regime created an entire generation growing up in a Marxist-Leninist doctrine, and many of them have become the decision-makers in both the public and private sectors. Narratives, including non-native managers, indicated the challenge of dealing with the bureaucratic process of local authorities. Moreover, many accounts suggested that the legacy of socialism is embedded in local management methods, particularly state-owned enterprises. Furthermore, the result of the former communist party winning in the State Great Khural (Parliament), securing 65 seats out of 76 in the general election of 2016, triggered speculation that the legacy of socialism is increasing. Hence, awareness of this and its embeddedness in practitioners' approaches could increase the understanding of local management for non-native colleagues.

c. The empirical study indicated the disparity in the expectations of local and foreign colleagues in relation to work performance, competency and self-initiatives. Local participants highlighted the challenge of meeting targets from foreign colleagues and being compared to industry experts. On the other hand, non-native participants expressed their frustration over the lack of professional competency in local colleagues. Hence, it is suggested that non-Mongolian colleagues should consider that Mongolia has been practising a market economy for a relatively short length of time. The last ten years have brought the most changes with the entry of international investors and companies. Hence, local managers

are facing a tremendous challenge in the turbulent local economy that has gone from the world's fastest growing economy in 2013 (World Bank, 2013) to the world's worst performing currency in 2016 (Kohn, 2016). At the same time, local practitioners are advised to improve their professional competency and skills to meet global standards in financing, accountancy and technology.

d. Lastly, improving language skills will assist non-native managers in understanding context-specific meanings through social interaction rather than the formulation of business related issues. Narratives suggested that non-Mongolian managers have limited opportunities to learn the language as their local colleagues' English is sufficient for day-to-day business functions. Additionally, many accounts emphasised the limited language classes for learning Mongolian. Consequently, non-native managers face the challenges of understanding local laws and legislations, which are not available in English or rely on translations that come with a cost. Consequently, improving language skills will not only save money, but also allow non-native managers to extend their knowledge of Mongolia beyond a business context, which will promote better relationships with colleagues and customers.

#### **b. Implications for decision-makers and education providers**

Findings suggested that the development of local political and educational establishments were left behind compared to the rapidly growing business and economic sectors in the last ten years. Furthermore, it indicated the increasing tension between the private and public sector due to local government interference in pricing and the legal framework of operating a business. Managers are compelled to get involved in politics to protect their businesses and they addressed their keenness to share their expertise in developing laws that regulate the new set of business services.

Findings indicated that reform in the local higher education system is needed to prepare graduates to meet current employers' demands. Thus, this study made the following suggestions for local political and educational establishments:

a. There is a need for political institutions to focus on stabilising the local business environment by ensuring consistency in the local parliament and legal frameworks. The unforeseen result of the latest general election in 2016 enabled The Mongolian People's Party (the former communist party) to form a unicameral parliament. Current and potential investors and businesses are waiting to see how the newly formed parliament intends to bring stability to the local economy, which is in disarray at the moment. It is a crucial time for the Mongolian economy as the country receives the bill for repayment of the government's first major debt of the Chinggis bond worth \$1.5 billion in 2017 (Kohn, 2016). Therefore, creating a stable business environment in order to encourage foreign investment and support local businesses is a priority for local political institutions.

b. Local government are advised to improve their dialogue and communication with businesses and industry leaders to provide more support to SMEs and the private sector. Within the last ten years the private sector has become the largest employer and contributor to the local economy (National Statistical Office, 2016), yet findings indicated that there is very limited support and cooperation from local government. By engaging in closer relations with industry leaders, government ministers will gain more understanding about the needs and demands of the business environment and appointment of industry experts to nationwide projects. Overall, the mutual understanding and collaboration between government and businesses will help formal institutions create a stable business environment, as well as contribute to the local economy.

c. Lastly, the education sector, particularly higher education, needs reform and support from the government and industry. Investing in the local educational system to prepare skilled employees will not only help a firm's competitive advantage, but also the country's



competitiveness on a global scale. Study findings suggest that the local higher education system has been overlooked in the last twenty years. Mongolia has a total of 125 universities for 3 million people (The Ministry of Education, 2015) yet the limited international academic recognition for local qualifications raises questions about the educational standards. This study did not aim to examine the educational systems and standards. However several suggestions for improving formal management training were prompted by participants' narratives and investigations into local Business Schools' curriculums:

- First of all, the three sectors of government, business and university need to work together to improve the quality of the education system in local Business Schools. Government needs to provide policies to encourage businesses to take initiatives in internships, and universities the lead on research through working with local businesses and economic issues;
- Business Schools need to invest in their resources, including soft and hard assets. Due to the low salary in academic jobs, many talented graduates enter commerce rather than education. Increasing the appeal of an academic career has to be one of the key concerns for Business Schools by financial and intellectual incentives;
- With a renewed pool of academics and resources, a new curriculum needs to be developed to a) meet industry needs, b) create effective research, and c) gain international accreditations.
- A Business School should be the hub for sharing knowledge, problem-solving and providing training for all levels of managers.

With the increasing number of national and foreign corporations, local Business Schools have the huge potential to make all the above suggestions reality. According to narratives, companies and individuals invest in training and qualifications and many managers expressed a keenness to attend a quality Business School to learn and improve their skills. At the same time, many managers expressed a preference for improving their qualifications without

interrupting their career. Therefore, it is the right time for Business Schools to change and contribute to management training and qualifications in Mongolia.

As a concluding remark, each sector of local business, political and educational establishments need systematic and proper research that evaluates the current challenges and opportunities in order to improve their management and strategy development.

### **6.3 Study limitations and suggestions for future research**

Studies of cross-cultural management have never been a straight-forward process (e.g. Al Ariss and Sidani, 2016) and each study builds its own unique research limitations and considerations. The present study has not been an exception, and several limitations arose during the research process.

The first challenge was tapping into an undiscovered area of exploring the understanding of management in Mongolia which has not been investigated empirically or theoretically before. The nature of management studies is messy (e.g. Mintzberg, 1973; 2009), and entering a field that has no supporting extant studies was messier. Choosing to study Mongolian management was something that I had wanted to explore for several years. I was aware that conducting academic research in an as yet unexplored area would never be an easy process for someone with no prior research experience. However, I still underestimated how much commitment and effort it would take to get to the final stage of building a conceptual framework and theoretical arguments. The initial theoretical framework was indigenous management theories as the nature of the study background corresponds with non-Western management practices within nomadic cultural settings. However, as the study progressed more complexities arose due to other contextual factors and the variety of players in local management practices. Existing studies in indigenous management theories, nature of managerial work, transitional economies, and varieties of capitalism supported the purpose of this study only partially as discussed in earlier chapters. Ultimately, the iterative progress of literature reviews, constant

dialogue with study participants and visits to the field enabled this study to reach its desired outcome although empirical material collection and analysis processes took three times longer than planned.

My personal and professional background of being involved in UK-Mongolia business related events since 2010 gave me privileged access to identify study participants and build trust through ‘logging time’ (Glesne, 2011: 54). Regular attendance and discussions at business events made my research topic familiar to other practitioners and I received numerous invitations from people who were willing to share their stories about managing in Mongolia. Hence, securing an access to fieldwork was not a big challenge for me although it may be for other qualitative researchers. Instead, I was overwhelmed with responses from potential participants, who were willing to take part in this study. Empirical material of more than 1,000 pages of transcripts, dozens of photos taken during the interviews, field notes and informal conversations with hundreds of managers in Mongolia and the UK created an enormous task of sorting, transcribing, translating and coding. More than half of the collected empirical material has not been used due to time and resource constraints although it could possibly have added more attributes to the present findings.

Furthermore, in terms of empirical material analysis, several qualitative empirical material analysis strategies were considered to arrive at the final decision of narrative analysis with a thematic approach. Conversational analysis could investigate metaphors used in participants’ stories as suggested by Alvesson’s (2010) framework. However, highlighting a single phenomenon would produce a limited approach to capturing the rich and complex contextual background of this study. Limitations also occurred in selecting the right methods to provide a ‘fuller picture’ of local management understanding. Several methods were analysed and tested to create an ‘unfolding and evolving study’ (Punch, 2014: 128). Selecting the appropriate methods to support the research objectives was a progress throughout. Vansina’s (1965; 2006) classic method of oral tradition and ‘thick’ description by Geertz (1973) were contemplated in the early stage of the research. Research methods for indigenous study were

considered and verified during the pilot study. Finally, reviewing studies of organisational ethnography aided in framing the study approach. This study adapted ethnographic tradition using a range of empirical material collection methods, including qualitative interviews and photographs to give a 'fuller picture' (Punch, 2014). Conducting ethnographic studies in organisation and management has no correct design (e.g. Kostera, 2007) and this research was no exception. It was a challenging process but it gave me the opportunity to immerse myself into fieldwork, claim strong validity, and present the 'black and white' of my chosen field.

Finally, representing the understanding of management in the Mongolian context through 35 local practitioners' narratives has limitations in terms of the validity and reliability of the current study. However, the entire research process followed Yardley's (2000) four main principles of qualitative research by ensuring sensitivity, commitment, and coherence in empirical studies and demonstrated the impacts conceptually and empirically. Furthermore, the rich empirical material from the narratives of the three groups of managers, informal conversations, field notes, visual materials from participants' offices, and follow-up visits in the field demonstrated the in depth nature of this study. Additionally, a methodical investigation into the contextual background, including the past and present histories of socio-economic and political transitions in Mongolia, was carried out to establish thorough study settings. Without the thorough contextual background of the study, the research aim of constructing the notion of management in the local context would not have been possible. Last, but not least, my own personal and professional background enabled me to overcome the challenges of using multiple languages in this research and adopt the different roles of being 'native', 'academic' or 'consultant' during the interviews.

To conclude, it has been an enormous learning curve and achievement for me to conduct a research, which has not been explored before. Although many limitations, constraints and challenges occurred throughout the journey, it was the first academic attempt to explore the understanding of management in the Mongolian context.

### **Suggestions for future research**

On the whole, this study is an important step towards laying the groundwork for future organisational and management studies in Mongolia, which require more empirical and theoretical research into local human resources management, leadership, work ethics and organisational culture.

In terms of the present study, the findings and conclusions suggest several areas of future research into the nature of managerial work in the context of emerging countries. Existing bodies of literature have identified that management is a context-dependent activity, but the notion of *context* varies in studies examining culture (e.g. Schein, 1985; 2010), or institutions (e.g. Friel, 2011; Holmes et al., 2013; Morgan, 2007). However, this study found that understanding management in the local context was influenced by various contextual factors equally. Therefore, it suggests analysing intertwining contextual factors together to provide additional insights into understanding management in both the local and international context.

Furthermore, this study incorporated influences of previous political and economic ideologies as an element of crossvergent results by extending theories of crossvergence (e.g. Al Ariss and Sidani, 2016; Ralston et al., 1997; 2008; 2015). Empirical evidence indicated that the legacy of a previous political and economic regime meant more than just an historic event and narratives highlighted that the socialist ideology has changed the traditional understanding of management and leadership in Mongolia. This statement contrasted the debates of convergence and divergence (e.g. Brewster, Mayrhofer and Cooke, 2015; Budhwar, Varma and Patel, 2016; Ralston et al., 1997; 2008; 2015). It suggested that convergence may exist before the entry of Western influences in non-Western countries. Conceptually, it argues that crossvergence is an ongoing process that evolves from the previous and existing socio-economic and political situations. Hence, more studies are needed to examine the role of previous political and economic ideologies in developing crossvergent concepts. In particular, investigating the influence of a socialist legacy in

management understanding will benefit studies of business and management in post-socialist countries.

Moreover, the findings of this study identified *varieties of players* in local management practices. It suggested that all three cohorts of managers (socialist-era, transitional-period and non-native) contributed to constructing management understanding in Mongolia by sharing their experiences of managing during various phases of local cultural and institutional developments. Extant studies on cross-cultural management generally focus on examining the native practitioners' cases and voices of non-native managers are often treated in expatriate studies (e.g. expatriate studies: Bhaskar-Shrinivas et al., 2005; Littrell et al., 2006). However, this study suggests, that the views of non-native practitioners, who have been living and working with locals for a prolonged period are essential to construct management understanding in a local context. Therefore, future studies in cross-cultural management and indigenous management concepts will benefit from the perspectives of non-native managing practitioners.

One of the limitations of this study was making a generalisation about management understanding in Mongolia through the narratives of 35 managers. Study participants divided into three cohorts of managers, based on the particular time periods when they became practitioners. Hence, the empirical findings represented management understandings of socialist, transitional and non-native practitioners, and their managing experiences in the face of cultural and institutional changes in Mongolia. Thus, the study analysis has not arrived through gender or industry perspectives. However, some accounts indicated that certain differences exist in management understandings between male and female practitioners. For instance, the narratives of female participants emphasised 'mother-like' or 'nurturing' in their understanding of being a manager, whereas most male practitioners highlighted the importance of being 'directive' or a 'guardian'. Yet, gender perspective was not addressed explicitly in the empirical analysis, and it has not been followed up due to time constraints. Therefore, future research could explore Mongolian management from a *gender perspective*

to see whether there are differences in approaches to management and leadership between male and female managers in Mongolia. Future studies, could also explore different avenues for *identity* and *post-colonial perspectives* through innovative methods, such as *visual ethnography* and *nethnography*.

This research shows the connection between culture and institutions by indicating a significant role of personal ties and informal networking in making economic and political decisions amongst participants, who are business people, as well as members of major political parties. Whether it is the influence of the traditional nomadic culture of respect for the elders or the hierarchical network of managing and being managed during socialism, there was noteworthy empirical evidence of how institutions were influenced by the social structure and personal ties in the narratives. Hence, examining the correlation between culture and institutions in the case of Mongolia is necessary in order to extend the studies of varieties of capitalism and the relationship between formal and informal institutions in the ‘transitional periphery’ countries (e.g. Demirbag et al., 2015).

Last, but not least, some narratives indicated the practice of *corruption* amongst local practitioners. This is a topic that could be explored further in relation to local management understanding and practices. This research was unable to elaborate on this line of inquiry due to the constraints of time and resources and the limited studies exploring the particular topic of ‘transitional periphery’ (e.g. Demirbag et al., 2015; Wood and Demirbag, 2015). However, it has laid the foundation for future investigation and for conducting comparative studies, including ones take into account in gender and generational differences, not only in the context of Mongolia but also in other ‘transitional periphery’ countries which have similar geographical locations and natural resource-based economies (Wood and Demirbag, 2015).

#### 6.4 Personal reflection: the modern nomad

This research has been an incredible journey and the greatest learning experience for me. It has been an emotional voyage as I could choose a topic that I am passionate about even though it has gone through many ups and downs. Writing this thesis has helped me to grow as an academic, researcher and individual. I hope all my dedication in this study will be of interest and use for both academic and business audiences and add to the body of knowledge in international management studies and be of value to anyone who is studying management in Mongolia.

I was raised by my grandparents in the Mongolian countryside and taught Mongolian old script and Tibetan to read *sutras* (sutra is an old Mongolian book written on fine paper or palm leaves and banned during socialism) by home schooling aged four. I have a more diverse nomadic culture than my parents' generation, who never had the chance to learn these scripts or practice rituals of mountain worshipping. Also, I represent the first generation of Mongolians who were permitted to learn Western languages at school and study outside of former socialist countries. I am fortunate to be able to immerse myself in the traditional and modern cultures of Mongolia, as well as engage in Western customs as most of my adulthood and higher education has been spent in European countries. Like many Mongolians, I have 'my mountain' and deep down I believe that I will become the dust of my mountain eventually. At the same time I feel indebted to my ancestors and country and always ask what I can offer by way of symbolic repayment whether it is through an emotional or physical contribution. After getting involved in improving business relations between the United Kingdom and Mongolia for a few years, I decided to become a 'bridge' between the different perceptions. By attempting to interpret nomadic cultures into Western business practices, and conveying the importance of learning international management techniques to Mongolian managers, I feel that I have achieved some of my duties to my ancestors and mountain. Completing the actual research was a whole new set of challenges and learning experiences.



The passion and commitment for this research has been confronted by many emotional, mental and financial constraints. Starting from being refused a visa to being committed to working full time to pay my tuition fees, it was not a straightforward journey. Apart from the practical constraints, stepping into the academic world with little experience was indeed a great challenge. It took me three years of constant hard work to find my academic voice and recognition of a thesis is a unique piece of work that reflects the researcher's own personality and emotion. Each struggle, challenge and obstacle has taught me lessons and helped me to become more confident and stronger in my own self, as well as learn from others.

The major emotional and mental challenge came in June 2016, when I lost my dad after an eighteen-month battle with lung cancer. Since he was diagnosed with the malignant disease in 2015, I stood on the crossroads between choosing my academic career in the United Kingdom and going back to Mongolia to be next to my father. I blamed myself for not being an ordinary girl, who wanted to get married and give my parents the chance to raise their grandchildren, but I know that my dad was always proud of his extraordinary girl and wanted me to finish what I had started.

This voyage enriched me in friendship, and I have met many wonderful people, who helped and inspired me. Because of those people, this thesis has grown from strength to strength and developed through advice, inspiration and constructive critiques. Everyone, who drove me through snow and those, who criticised me for choosing a Western education and lifestyle, have all equally contributed to me becoming who I am today. I like my past and I am a strong believer that personal growth comes from people, books, and places that are deliberately brought to you when you need them. It is being that individual to grow not in isolation, but together with people, and the creator and learning that has made me realise that growing is giving, receiving, and respecting and the world can be wonderful.

Going through this incredible journey helped me to find my identity and purpose in life. By creating a 'bridge' between the East and West through writing and researching about

Mongolia and Mongolian management practices is my obliged spiritual and physical payback to my ancestors and country. I hope my thesis will not be a one-off research as I want this to be the beginning of an enriching journey, which enables me and others to write books and papers that will be used by academics and practitioners in many years to come. I stopped blaming myself for not returning to Mongolia as I established my identity as an academic and modern nomad, who carries myself where I can best serve, where my nature, qualities and gifts find the best soil, the wildest scope.

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## **Appendices A: Interview Consent form (English version)**

### **Participant Information Sheet**

Title of Study: Untangling Mongolian Indigenous Management: Understanding Managers' Perspectives in the Face of Cultural Change

Researcher: Saranzaya Manalsuren

You are invited to participate in a research study. The purpose of this study is to examine managers' role in contemporary Mongolian business practices. In particular, I would like to encourage you, through participation in the study, think about your own experience with working with Mongolian managers and describe if there were any issues which made you get puzzled as a foreigner and more importantly as a fellow manager.

If you are willing, I would like to participate in this study as a research subject.

Participation is voluntarily and all information gathered in this study is confidential and anonymous.

#### **INFORMATION**

Procedures/time required of you: If you choose to participate in this study, I will ask you to complete a short survey and participate an interview sessions with me. Completing survey will take 15 minutes, followed by interview session should last approximately 45 minutes.

Interview will be held at the location convenient for you. After interview session, I may follow up with you to ask you to clarify comments, or discuss particular issues in more depth. Follow up discussion for clarification will last approximately 15-30 minutes.

#### **RISKS**

There risks of participating are minimal.

One risk is you may not reveal your name and information about your job. To protect you anonymity and the confidentiality of this study, all participants will be identified by a randomly-generated number, not by name. No information about you as a participant will be provided to the third party.

Another risk is that, while discussing your experience, you may feel inclined to discuss issues that make you feel uncomfortable. As a researcher, I am committed to open inquiry. I will not intent to ask any sensitive questions, however I would welcome to hear your opinions. If you

wish to terminate the interview, we will stop it immediately and I appreciate your openness and honesty about your feelings.

#### BENEFITS

The benefits of participation in this study are you given the opportunity to add your own voice to build real picture of Mongolian management practices to international management and may learn something new about your managing practices.

#### CONFIDENTIALITY

The information in the study records will be kept strictly confidential. No names will be used on demographic surveys or interview data. All study participants will be identified with a randomly-generated number than real name. data will be stored securely and will be made available only to persons who conducting the study unless you specially given permission in witting to do otherwise. No references will be made in oral or written reports which could link you to the study.

#### COMPENSATION

I am not offering any financial compensation for participating in this study. You will, however, have my grateful appreciated as a fellow Mongolian and management practitioner/researcher.

#### CONTACT

If you have any questions at any time about the study or the procedure, you may contact the researcher, Saranzaya Manalsuren, at [smanal@essex.ac.uk](mailto:smanal@essex.ac.uk). If you have questions and concerns about institutional approval should be directed to Graduate School, University Campus Suffolk, Waterfront Building, Neptune Quay, Ipswich IP4 1QJ. E: [graduateschool@ucs.ac.uk](mailto:graduateschool@ucs.ac.uk)

#### PARTICIPATION

Your participation in this study is voluntarily; you may decline to participate without penalty. If you decide to participate, you may withdraw from the study at any time without penalty and without loss benefits to which you are otherwise entitled. If you withdraw from the study before data collection is completed your data will be returned to you or destroyed.

## CONSENT

To protect your confidentiality, you are not being asked to sign any consent form. Rather your completion of a demographic survey and participation in an interview indicates your consent to participate in this study.

## **Appendices B: Interview Consent Form (Mongolian version)**

### **Судалгаанд оролцогчийн мэдээллийн хуудас**

Судалгааны сэдэв: Монгол менежментийн орчин үеийн чиг хандлагыг тодорхойлох нь

Судлаач: М. Саранзаяа

Таныг эрдэм шинжилгээний судлагаанд оролцогчоор урьж байна.

Энэхүү судлагааны ажил нь удирдах албан тушаалтны үндсэн үүрэг, хариуцлагыг тодорхойлох, нийгэм эдийн засаг, соёлын өөрчлөлтүүд менежерийн өдөр тутмын ажилд хэрхэн нөлөөлдөгийг илрүүлэх, улмаар Монгол улсын менежментийн ирээдүйн чиг хандлагыг олон улсын менежментийн хэм хэмжээнд тулгуурлан тодорхойлоход оршино. Судлагааны явцад таныг өөрийн үндсэн ажлын туршлагаа хуваалцахаас гадна, Монгол Улс дахь нийгэм, эдийн засаг, соёлын өөрчлөлтүүд таны ажилд хэрхэн нөлөөлж буй талаар дэлгэрэнгүй ярилцахыг хүсч байна.

Хэрэв та энэ судлагаанд оролцохыг зөвшөөрч байгаа бол таны хувийн болон албан мэдээлэл хаана ч хэвлэгдэхгүй бөгөөд таны өгсөн мэдээлэл өөр нэртэйгээр зөвхөн энэ судлагаанд ашиглагдана.

#### Судлагааны ерөнхий мэдээлэл

Ярилцлагын өмнө та богино хугацааны асуулгын хуудас бөглөх бөгөөд энэ нь 15 минут, ярилцлага дунджаар 45 минут үргэлжлэх ба ярилцлагын дараа нэмэлт асуулт хариултауд 15-30 минут явагдана.

Ярилцлагын цаг, байршлыг тантай зөвлөсний үүднээс сонгоно.

#### Эрсдэл

Энэ судлагаанд оролцоход гарч болох эрсдлийн хэмжээ маш бага.

Таны бүх хувийн болон албан мэдээлэл судлагаанаас бусад зүйлд ашиглагдахгүй бөгөөд судлаачын дугаарласан хувийн дугаараар таны өгсөн мэдээлэл судлагаанд хэрэглэгдэнэ.

Ярилцлагын явцад таны хувьд дэлгэрэнгүй мэдээлэл өгч болохгүй, сэтгэлийн хөдлөл болон ямар нэг шалтгаанаар ярилцлагаа зогсоох шаардлагатай бол бид ярилцлагаа зогсоох бөгөөд хэрэв оролцогч хүсвэл дахин ярилцлага авах, эсвэл ярилцлагыг бүрмөсөн зогсооно.

### Ач холбогдол

Энэ судлагаанд оролцсоноор та Монголын бизнес, менежментийн талаарх олон улсын анхны дорвитой судлагаанд өөрийн дуу хоолой, хувь нэмрээ оруулж буй болно. Түүнчлэн судлагааны явцад та өөрийн менежментийн арга барилын талаар шинэ зүйл танин мэдэх боломжтой.

### Мэдээллийн нууцлал

Энэ судлагаанд оролцогсдын бүх мэдээлэл нууцлалын маш өндөр зэрэгт хадгалагдана. Ярилцлага болон асуулганд оролцогсдын нэр судлагаанд ямар нэгэн байдлаар дурьдагдахгүй ба судлаачын дугаарласан хувийн дугаараар судлагаанд хэрэглэгдэнэ. Зөвхөн энэ судлагааг хийж буй судлаачид мэдээллийг үзэх эрхтэй ба хэрэв мэдээллийг судлагаанаас өөр хэлбэрээр ашиглах бол оролцогчоос заавал гарын үсэг бүхий зөвшөөрөл авна.

### Урамшуулал

Энэ судлагаанд оролцогчид ямар нэгэн мөнгөн урамшуулал байхгүй бөгөөд олон улсын менежментийн шинжлэх ухаанд Монгол менежмент, соёлын талаар үнэн зөв мэдээлэл, хувь нэмрээ оруулж байгаад Монгол хүний хувьд судлаачын зүгээс маш их талархаж байна.

### Холбоо барих

Хэрэв танд энэ судлагааны талаар ямар нэгэн асуулт байвал судлаачтай доорх хаягаар холбогдоно уу. М. Саранзаяа, [smanal@essex.ac.uk](mailto:smanal@essex.ac.uk)

Хэрэв танд судлагааны ёсзүй, сургуулийн албан ёсны мэдээлэл хэрэгтэй бол доорх хаягаар холбогдоно уу. Graduate School, University Campus Suffolk, Waterfront Building, Neptune Quay, Ipswich IP4 1QJ. E: [graduateschool@ucs.ac.uk](mailto:graduateschool@ucs.ac.uk)

### Судлагаанд оролцох

Энэхүү судлагаанд оролцох нь сайн дурын үндсэн дээр суурилсан ба оролцогч ярилцлага өгөх, татгалзах, ярилцлагын дундаас болих бүрэн эрхтэй. Хэрэв та ярилцлагын дараа өгсөн мэдээллээ солих, эсвэл бүрмөсөн болих хүсэлтэй бол таны өгсөн мэдээллийг танд буцааж өгөх, эсвэл мэдээлэл утсгагдана.

### Оролцох зөвшөөрөл

Таны хувийн мэдээлэл, эрх ашгийг хадгалахын үүднээс таны нэр, гарын үсгийг асуухгүй бөгөөд, судлагааны асуулт бөглөж, ярилцлганд орж буй тань таныг энэхүү судлагаанд сайн дураараа орсны баримт болно.

Судлаачын талаар товч танилцуулга

М. Саранзаяа нь Англи Улсад их сургуулийн багш, судлаач, бизнесийн зөвлөх болон Сургалтын Албаны Даргаар сүүлийн 5 жилд ажиллаж байгаа, одоогоор Лондон Соутбанк Их Сургуулийн Бизнесийн Сургуульд олон улсын менежмент, менежментийн соёл, эрдслийн менежмент хичээлүүдийг заахын зэрэгцээ Эссэксийн Их Сургуульд Менежментийн Ухааны Докторын зэргээр суралцаж байна.

Монголд судлагаа хийхээр 2014 оны 6 сарын 1ээс 7 сарын 20ны хугацаанд байх ба харилцах утасны дугаар: 89168359

## Appendices C: Demographic Survey Form (English version)

### Demographic Survey Form

Subject Number \_\_\_\_\_

1. Male \_\_\_\_\_ Female \_\_\_\_\_

2. Do you work for public/private sector?

\_\_\_\_\_

3. When did you start working as a manager in Mongolia? Year. \_\_\_\_\_

4. Have you worked in other Asian countries before? Please list.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. How many people work in your team?

a. 20 or less    б. 20-50    в. 50-100    г. 100 or more

6. Do hold any voluntary/paid position part from your primary role? Eg. Home Council, Charity, Business Council etc) Please list.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Appendices D: Demographic Survey Form (Mongolian version)

### Судлагааны асуулга

Хувийн дугаар

7. Эр \_\_\_\_\_ Эм \_\_\_\_\_

8. Та хувийн / төрийн байгууллагад ажилладаг уу?

\_\_\_\_\_

9. Та хэзээнээс эхлэн удирдах албан тушаал (менежрийн ажил) эрхэлсэн бэ?  
Хэдэн он) \_\_\_\_\_

10. Та төрийн байгууллагад менежерээр ажиллаж байсан уу? Хэрэв тийм бол таны  
ажилласан жил? \_\_\_\_\_

Та хувийн байгууллагад менежерээр ажиллаж байсан уу? Хэрэв тийм бол таны  
ажилласан жил? \_\_\_\_\_

11. Таны удирдлага дор хэдэн хүн ажилладаг вэ?

б. 20 ба түүнээс бага    б. 20-50    в. 50-100    г. 100 ба түүнээс олон

12. Та ямар нэг намын гишүүн үү? Хэрэв тийм бол аль намын гишүүн бэ?)

\_\_\_\_\_

13. Та үндсэн ажлаасаа гадуур сайн дурын нийгэм, боловсрол, соёлын ажилд  
оролцдог уу? (Нутгийн зөвлөл, хүмүүнлэгийн байгууллага, шинэ бизнест  
зөвлөгөө өгөх клуб гэх мэт.) Жагсааж бичнэ үү.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

14. Та хаана, ямар мэргэжлээр суралцсан бэ? Жагсааж бичнэ үү.)

Мэргэжлийн зэрэг (Их сургууль/Коллеж/Техникум)

Зэрэг \_\_\_\_\_ Сургууль \_\_\_\_\_

Зэрэг \_\_\_\_\_ Сургууль \_\_\_\_\_

Зэрэг \_\_\_\_\_ Сургууль \_\_\_\_\_

Сургуулиа төгссөнөөс хойш менежментийн чиглэлийн мэргэжил дээшлүүлэх  
сургалтанд хамрагдах байсан уу? Хэрэв тийм бол хаана, ямар сурталтанд  
хамрагдсанаа бичнэ үү.



Курс	Хэдэн онд	Хаана

## **Appendices E: Interview Questions (for Pilot study)**

### **Interview Questions**

#### Introduction

- Give introduction of the area of research and purpose of the interview
- Confirm consent of interviewee and explain anonymity of interview and offer the opportunity to decline any questions or halt participation at any time

#### Questions

1. Could you describe your normal workday for me?
2. What is your role/what do you do?
3. Tell me about your work
4. Who are in your core team?
5. Team-work
6. Communication
7. Decision-making
8. Commitment
9. Motivation
10. Difference between younger and older managers?
11. Difference from other Asian countries?
12. Who is Mongolian manager and what works best for them to make them efficient?
13. Cultural challenges
14. Something you just cannot understand about them
15. What are their best character?

#### Close

- Are there any other things that you wanted to talk about what we have not covered already?
- Did you have any questions that you wanted to ask me?
- Can I just confirm that you are happy for me to contact you in the future if I need to clarify any of the content of the interview or ask you any follow up question?
- Thank you very much for agreeing to take part and giving me your time.

## **Appendices F: Interview Questions (English version)**

### **Interview Questions for Main Fieldwork**

#### Introduction

- Give introduction of the area of research and purpose of the interview
- Confirm consent of interviewee and explain anonymity of interview and offer the opportunity to decline any questions or halt participation at any time

#### Questions

1. Could you describe your normal workday for me?
2. How would you describe yourself as a manager?
3. Could describe more on (coordinating, negotiating, allocating resources)
4. What values guide your managing?
5. Why are these values are important to you as a manager?
6. How do you demonstrate those values in managing practice?
7. Do you have a set of particular skills that are important to your managing?
8. Why are these skills are important to you as a manager?
9. How would you describe an effective/good manager?
10. How do you measure you effectiveness to be a good manager?
11. How do you motivate your employees?
12. Why do you use particular method of motivation?
13. You said you are member of one of Mongolia's political parties. How it influences your job of managing?
14. You said you get involved with voluntary activities of Home Council or charity. Why it is important to you? Is there any link of those activities and your job? (networking, marketing, CSR etc)
15. What is your opinion of doing a favour to “nutgiin hun” (person of same county)?
16. Describe some of changes taking place in Mongolia-business, economy, or elsewhere.
17. How those changes influenced you managing? (positive and negative aspects)
18. What needs to be improved in order to manage effectively?
19. How do you see the future of Mongolian managers?

Close

- Are there any other things that you wanted to talk about what we have not covered already?
- Did you have any questions that you wanted to ask me?
- Can I just confirm that you are happy for me to contact you in the future if I need to clarify any of the content of the interview or ask you any follow up question?
- Thank you very much for agreeing to take part and giving me your time.

## Appendices G: Interview Questions (Mongolian version)

### Ярилцлагын асуултууд

#### Танилцуулга

- Судлагааны гол зорилгыг ерөнхийд нь тайлбарлаж, хураангуйг урьдчилан явуулна.
- Ярилцагчийн нэр, хаяг нийтэд дэлгэгдэхгүй бөгөөд, бүх мэдээлэл зөвхөн судалгаанд ашиглагдана. Ярилцагч өөрийн хүсэлтээр, ярилцлагаас татгалзах, зарим асуултанд хариулахгүй байх бүрэн эрхтэй.

#### Асуултууд

1. Таны ажлын жирийн өдөр хэрхэн өнгөрдөг вэ?
2. Менежер хүний хувьд өөрийн үүрэг, хариуцлагыг тодорхойлно уу.
3. Та, ..... маш чухал гэлээ, энэ талараа дэлгэрүүлж ярина уу. Ямар учраас энэ их чухал вэ?
4. Таны ажлын гол баримталдаг зарчим юу вэ?
5. Яагаад эдгээр зарчим нь таны ажил үүрэгт чухал нөлөөтэй вэ?
6. Та энэ зарчмуудаа бодит байдал дээр яаж хэрэгжүүлдэг вэ?
7. Таны ажлын зайлшгүй эзэмших ёстой ур чадварууд юу вэ?
8. Ямар учраас эдгээр ур чадварыг заавал эзэмших ёстой вэ?
9. Таны хувьд сайн удирдагч хүн (дарга) ямар байх ёстой бэ?
10. Таны хувьд өөрийнхөө хэр сайн дарга болохыг хэрхэн хэмждэг вэ?
11. Та ажилчдаа хэрхэн урамшуулдаг вэ?
12. Яагаад заавал эдгээр урамшууллын аргыг хэрэглэдэг вэ?
13. Та, улс төрийн намын гишүүн хүн юм байна. Намын гишүүн байх нь таны ажилд хэрхэн нөлөөлдөг вэ?
14. Та, нутгийн зөвлөлийн/ сайн дурын байгууллагын гишүүн юм байна. Яагаад энэ ажлыг хийх болов?

15. Нутгийн ах/дүүдээ туслах. манай нутгийн хүн гэсэн ойлголт манайд түгээмэл, энэ талаар таны бодол? Та нутгийн хүнээ түрүүлж ажилд авах уу?
16. 90 оноос хойш Монгол улсын нийгэм, соёл, эдийн засаг өөрчлөгдөж байгаа. Таны ажиллаж буй салбарт яг ямар өөрчлөлтүүд хурдацтай явагдаж байна?
17. Эдгээр өөрчлөлтүүд таны ажилд хэрхэн нөлөөлж байгаа вэ? (Эерэг болон сөрөг талууд)
18. Сайн удирдагч, сайн ажилтан байхын тулд ямар өөрчлөлтүүдийг хийх хэрэгтэй вэ?
19. Монгол улсын менежмент, ирээдүйн менежрүүдийн чиг хандлагын талаар таны бодол?

#### Төгсгөл

- Та бид хоёр ярилцаж амжаагүй, эсвэл танд нэмж хэлмээр зүйл байна уу?
- Танд надаас асуух ямар нэгэн асуулт байна уу?
- Ирээдүйд танаас энэ ярилцлагын талаараа дэлгэрүүлж асуух, мөн ямар нэгэн зүйл орхигдсон тохиолдолд би тантай холбоо барихыг та зөвшөөрч байна уу?
- Цаг заваа гаргаж, ярилцлага өгсөнд маш их баярлалаа.

## Appendices H: Topic Guide for Managers

### Topic Guide for Managers

The main research question that guided the interview was:

What are your experiences of being a manager in Mongolia with particular examples of motivation, leadership, and staff involvement, has your approach changed from planned to free market economy, and what constraints and opportunities do you see in managing people?

### Introduction

- Give introduction of the area of research and purpose of the interview
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### Managerial experiences

- Can you describe me that your experiences of worked as manager in socialist period?
- Planning
  - How did organisation make an important decisions? A particular example
  - What/why did you that way?
- Organising
  - What was the organisational structure like during that period?
  - Tell me about individual accountability and responsibility: if something goes well/wrong who had the main responsibility?
  - Traditional Mongolian culture tends to be much organised, hierarchy etc. Was similar with socialist ideologies?
  - Can you explain your understanding of “*booronhiiloh*” (make things round, in other words, avoid from direct responsibility). Is that a Mongolian nature of making a decision?
- Leading
  - What were key characters of a good leader in socialism?
  - What were the main role of leading a state-owned firms?
  - How did you motivate your subordinates?
  - Why did you do that way?
- Controlling
  - Was controlling a strict function?
  - How did you control and measure your quantity target?

- Why?
- Cultural influences
  - Did management approaches heavily influenced by socialist ideologies and walking towards “building a capitalist society”?
  - Any traditional/local influences?

#### Being a manager in capitalist economy

- Have you stayed at your work or changed your position?
- What are main challenges of managing an organisation in free market economy?  
Planning, leading, controlling, organising
- What are main opportunities of managing an organisation in free market economy?
- Are you adopting western managerial values?

#### Opinion towards working with younger managers

- Do you work many *younger* managers today?
- How do they differ from your managing style?
- Do you learn from them?
- Do you encourage younger managers making decisions?

#### Final comments of “Mongolian indigenous management”

- Have you worked with expats from socialist countries?
- Have you ever worked abroad during socialist period?
- What you liked/disliked? Have you observed the differences between you (Mongolians) and those (foreigners)?
- Do you work with western expats since 1990?
- What are main differences/similarities working with them and Mongolians?
- What would you say the key differences of being a Mongolian manager?

#### Close

- Are there any other things that you wanted to talk about what we have not covered already?
- Did you have any questions that you wanted to ask me?
- Can I just confirm that you are happy for me to contact you in the future if I need to clarify any of the content of the interview or ask you any follow up question?
- Thank you very much for agreeing to take part and giving me your time.