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Identifying Important Criteria for Staff Productivity in Relation to Malaysian Cultural Values: A Comparative Review

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Abstract
Malaysia is going towards being a developed country. One of the major benchmark for this is the capability of Malaysia to be a significant place for traders and investors. To achieve this, every company and corporate members in Malaysia has to play their roles to create a harmony environment to attract traders and investors. This can be done by focusing to improve the productivity of the company where this directly relates to staff's productivity. There are a lot of physical attributes that can be used as a benchmark for productivity such as ability to gain profit and to initiate an innovation of a company, as well as their contribution to the society. Our research involves to two parts; 1. developing framework to identify important criteria from national cultural values involved and 2. to identify the key criteria involved quantitatively. Both parts are important, however, in this paper, we intend to focus on the framework development and the second part will be published separately in the future. For this purpose, some literature surveys and reviews is conducted and analysis is made. A comparative review between criteria is performed to identify which criteria are effective in driving staff productivity. To add on, a hierarchical model for finding the weights for measuring the importance is developed for future reference.

Keywords: Staff productivity; Performance; Comparative review; Management sciences.

1. Introduction

Malaysia is a diverse country when it comes to race or ethnicity. There are many ethnics in Malaysia but the majority are made up of Malay (50.4%), Chinese (23.7%) and Indian (7.1%) (*CIA: The World Factbook*, 22 February 2018). A long run of history and interaction between these ethnics has developed a quite homogenous culture. In 2003, Hofstede (1984) defined Malaysian as a homogenous society. One of the traits that often used to describe a homogenous society is the shared cultural values which consist of belief, behaviours, objects and other characteristics common to each member of the society. There are several cultural dimensions introduced by Hofstede[1], including power distance, uncertainty avoidance, feminity versus masculinity, collectivism versus individualism, indulgence versus restrained and short versus long term orientation. The results on the cultural dimensions are discussed by the same author in his subsequent articles (Hofstede, 2003; Hofstede and Hofstede, 2004; Hofstede *et al.*, 2010; Hofstede, 2011).

The diversity of Malaysian in terms of cultural values impacts the country development. Each cultural dimension plays a crucial role in stimulating the development of Malaysia. Similar to most developing countries, Malaysia struggles to become a stable and well-developed country. One of the physical attributes that can be used to measure such achievement is by the competitiveness of the country in economy (Allen *et al.*). In most cases, the country economic growths are measured through its Gross Domestic Product (GDP) (Grier and Tullock) and GDP is directly link with the corporate company's profit (*Business Insider*, December 10, 2013). As a result, corporate company in Malaysia has to be able to complete globally and to achieve so, the productivity of staff inside the company must be motivated. Understanding on what is the criteria affecting staff's productivity or performance will help the growth of a company. Undoubtedly, cultural values have effects on the performance of an individual or in our case, the productivity of the staffs. These values can either draw the company backwards or strive them forwards. However, to generalize certain cultural values to be good or bad is not a wise decision since this depends on the vision, mission and objective of the organizations. By utilising and examining each of the staff cultural values, the cognitive and problem solving skills can be enhanced (Lee, 2015). An article also highlighted that a leader with traditional cultural values is more preferred among staffs (Kennedy, 2002). This is capable in producing a good workplace environment where the productivity of the staffs can be improved.

This section has presented an insight of previous literature focusing on the contributions to the objective of this paper. The upcoming sections in this paper are organized as the following. Section 2 will review the relation between cultural values existed among Malaysians and how they relate to staff's productivity, Section 3 will provide a detailed comparative review and discussion on the importance of criteria extracted from Section 2. Meanwhile in Section 4, conclusion will be drawn and future direction of this research will be highlighted.

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2. Cultural Dimensions in Malaysia and its Relation with Productivity

Within the literature, the word culture has been interpreted and defined in many ways. This can be seen in various papers. Triandis[10] identified culture as norms, roles, belief and values. The author also emphasized on subjective culture for those sharing language, historic period, and geographic location. Nevertheless, we ought to use the definition by Hofstede et al. where culture is defined to be *the collective of mind that distinguished the members of one group or category of people from another* (Hofstede *et al.,* 2010). In 2011, Hofstede (2011) stressed on six important dimensions of cultural values, namely power distance, collectivism versus individualism, uncertainty avoidance, feminity versus masculinity, indulgence versus restrained and short versus long term orientation. In this paper, we assigned some sub-criteria to two of the cultural dimensions stated, power distance and uncertainty avoidance. Under the power distance dimension, there will be sub-criteria trustworthiness and respect, while under criterion uncertainty avoidance, there will be sub-criteria self-control and tolerance. It has been proven in the literature that good culture can lead to a good organizational change (Abdul *et al.*, 2004; Abu and Su Mustaffa, 2013; Ponnu and Hassan, 2015).

2.1. Low versus High Power Distance

Power distance refers to the way in which power is distributed and the extent to which the less powerful accept the fact that power is distributed unequally. Hofstede[1] categorised Malaysia to be a country with high power distance, and this indicates that the inequality between staffs or workers in a group or company is existential[3]. While many view Chinese and Malay work cultures as different, Lim (2001), Storz (1999) have proved otherwise. Generally, this means that the subordinates or staffs are unconsciously designed to be obedience and they expect to be told what to do and to focus only on the given task. Malaysians are comfortable to work within a company with hierarchical level of staffs and uneven income distribution is usually observed (Dass, 2016). High power distance also means that the structure of bureaucracy is a usual practice (Ringov and Zollo, 2007; Widhiastuti, 2012).

2.1.1. Trustworthiness

A society with high power distance normally has a gap between every level of staffs. The difference from bottom to top is significant. Trustworthiness is important when facing such hierarchical company. An article by (Wiewiora *et al.*) discovered an evidence of patterns existing between trustworthiness and organizational culture (Wiewiora *et al.*). It was found that trustworthiness is capable of improving company performance in general. Meanwhile, (Nishishiba and Ritchie, 2000) conducted a research on the concept of trustworthiness and it turns out that trustworthiness is able to reduce miscommunication among colleagues. If the trustworthiness attitude is developed within a company, the confidence level of each staff to be entrusted with tasks can be increased, hence, productivity can also be improved.

2.1.2. Respect

Society commonly said that respect is to be earned not forced. A culture of respect helps keeping staffs loyal, supportive and productive. Organizational commitment and productivity are motivated by several factors, some of which are the management's desires to show respect and retain staff (Koys, 1988; Sheridan, 1992). Respect is what empowers the staff and motivate the culture of continuous productivity and improvement.

2.2. Weak Versus Strong Uncertainty Avoidance

Hofstede's research found that Malaysian is a society with weak uncertainty avoidance[1]. This means that the society in Malaysia is comfortable in dealing with ambiguous or uncertain outcomes and situations[2]. This might be correlated with religious values and fact is that belief is part of the *Rukunegara* and it is absurd for someone in Malaysia to be a non-believer or atheist. Three major ethnics in Malaysia, Malay, Chinese and Indian are mostly from four major religions; Islam, Hinduism, Buddhism and Christianity. These religions have a firm belief that every day's occurrences are predestined by god/s. In workplace culture, this cultural value lead to an attitude which is the tendency to take risk is high and differences are faced with curiosity. The staffs are also expected to voice out their opinion towards company development. Even the power distance in a company is high, at many situations, staffs are encouraged to contribute ideas for the development of the company. A society with weak uncertainty avoidance is more likely to disobey rules and regulations and willing to accept any uncertain outcomes (Ayoun and Moreo, 2008; Shane, 1995).

2.2.1. Self-Control

Self-control or known locally as *budi* is an important criteria when discussing the ability of certain individuals and their improvements. It is also viewed as a reasoning attitude and often interpreted together with religion. In relation to the weak uncertainty avoidance, self-control can be observed as a significance criterion. In other words, people with low uncertainty avoidance are more inclined to control themselves. Women, who often being the victim of the domination of men in the past, have come to identify with the revivalist ideals of motherhood and the imagined body politic (Ayoun and Moreo, 2008), the self-control has helped women to explore the possibilities. It can also be said that a staff with high self-control are able to make decision and to improve oneself for the company productivity generally.

2.2.2. Tolerance

Malaysian society perceived an average tolerance attitude. Tolerance here means the ability to accept different behaviour and opinions. There are some situations that they refuse to show tolerance, for example in the case involving religion or face saving. This happens as a result of self-defence from shaming that might be occurred from different opinion or point of views. From another point of view, Malaysians are able to accept cultural difference and recognize tolerance as a universal human right and part of democracy (Sintang *et al.*, 2013). From the perspective of productivity, this attitude has potential to increase the productivity during meetings in general since all ideas given by staffs are being noted and examined in the same manner.

2.3. Feminity Versus Masculinity

Under the measurement of cultural dimension of feminity versus masculinity, Malaysian is inclined towards moderate masculinity culture (Hofstede, 1984;2003). On the feminity side, it can be seen that Malaysian values a harmonious relationship with others and are able to show respect between individuals. On the other side, the dimension of masculinity are also nurtured where nowadays, most Malaysians and Malaysian's companies are results oriented. They are more likely to focus on power, money and ranks (Alves *et al.*, 2006; Budin *et al.*, 2013). The society emphasized the importance of having a strong performance in both individuals and companies. In companies, the main purpose will always be to gain profit, and staffs are expected to devote their attention on harnessing profit and gaining powers. This is a common concept accepted by many.

2.4. Collectivism Versus Individualism

As can be seen in the literature, Malaysian society is a collectivist society (Ahmad, 2001; Hofstede, 1984;2003). This dimension is linked with the emphasization of group upon individuals. There are many occasional events in Malaysia that portray this criterion such as family gatherings and spending quality time together. This criterion also stress on the belonging of the society rather that right of privacy. The individual or staffs with collectivist attitude are expected to voice their opinion in group rather than individually. This means that it is very necessary to achieve consensus in society than going for self-actualization. Additionally, management always referred to management of the groups. This is in contrast with individualism attitude, where management focused on management of individuals. For a company with collectivist culture, relationship between staffs is also an important subject since every staff in the company is treated as a unit.

2.5. Indulgence Versus Restrained

Malaysian possessed a slightly indulgence society. This dimension can be defined as *the extent to which people try to control their desires and impulse*s. Weak control over desires and impulses is often referred as indulgence while a strong control is referred as restrained. On the scale of 0-100 for indulgence, Malaysia is measured at 57 (Hofstede, 1984). This represents a culture where the member of society or companies exhibits their willingness to enjoy their life and spend their time for fun. Differently, staffs with low indulgence values do not emphasize their life on having fun and enjoyable moment. Malaysians under this dimension are seen as an optimist society. Additionally, the staffs with this attitude tend to have a perception of individual life control. Managers can tackle this attitude for company development by giving freedom for staffs to complete their tasks with minimal supervision. However, retrained attitude must also be implemented so that the staffs' tendency towards fun rather than achievement can be avoided. A society with indulgence attitude often treats happiness as an important goal of their life (Adzis *et al.*, 2017; Ismail and Lu, 2014; Yıldırım *et al.*, 2016).

2.6. Short Versus Long Term Orientation

Hofstede (1984), Hofstede (2003) classified Malaysia as a slightly short term orientation society. As a multicultural country, Malaysian is a society which gives respect to the tradition that was long imposed by their ancestors. These include preservation of face as one of the point, in conjunction with collectivist attitude. They believe that one's acts will represent the society itself. On the other hand, every members of the society are subjected to the fulfilment of duties impounded by years of tradition and become part of Malaysian identity. This cultural value could be a plus and a minus to a development of a company, depending on how the leaders of the organization deal with this. Staffs or workers of a company are easily guided by the leaders as an immediate gratification is expected. As stated by Hofstede, the short term orientation attitude tends to stress on short term profit. So, it is up to the manager and leader to convert the short term profit to bring secure in the future market. This might be achieved by leading with example.

With respect to the Malaysian cultural values, it has been identified that there are six criteria, which have significance influences. The main criteria are listed in Table 1. The sources listed are the research done that is in agreement with the earlier research done on the subject.

Table-1. The main criteria i.e. cultural values for staffs productivity.

| No.	Main criteria	Sources
1	High power distance	(Kennedy, 2002), (Lim, 2001), (Manan, 1999)
2	Weak uncertainty avoidance	(Oly *et al.*, 2011), (Minkov, 2007)
3	Masculinity (Inclined)	(Alves *et al.,* 2006), (Budin *et al.,* 2013)
4	Collectivist	(Kennedy, 2002), (Minkov, 2007)
5	Indulgence (Slightly)	(Ismail and Lu, 2014), (Adzis *et al.,* 2017)
6	Short term orientation	(Minkov, 2007), (Hofstede and Minkov, 2010)

3. Comparative Discussion on the Criteria

Thus, it can be concluded that the staff's productivity are affected by a number of criteria. There are 10 criteria and sub-criteria listed based on Hofstede's research involving six main dimensions (Hofstede, 1984;2003). To analyse the weight of the dimensions i.e. criteria or simply the importance of each criteria over one another, this research will perform a comparative discussion and review on the cultural dimensions involved. For this purpose, results of previous study will be revisited and comparison will be made between the cultural dimensions in the context of staff's productivity.

Che Rose, Kumar, Abdullah and Ling performed comparison on four types of companies, namely American, European, Japanese and Malaysian companies (Che *et al.*, 2008). It was concluded that in Malaysian society, all four original Hofstede's national cultural dimensions (uncertainty avoidance, power distance, collectivism and masculinity) affect the overall company performance including staffs productivity. The similar result is also obtained when considering American company. While for European company, individualism and power distance have relationship with company performance and productivity, and for Japanese company, only uncertainty avoidance plays a significant role. In Che *et al.* (2008) uncertainty avoidance is the most significant culture that influences staffs productivity among the four cultural dimensions. It is followed by the masculinity culture which turns out to bring greater effects towards productivity of the staff relative to power distance and collectivist culture. Meanwhile, the impact of power distance culture is below masculinity. On the other hand, the results obtained for collectivist or individualist culture appears to affect the productivity the least.

This, however, mildly contradicts the result obtained by Nazarian, Atkinson and Faroudi on the influence of national culture on general overall company performance (Nazarian *et al.*, 2017). The result indicated that the most important criterion that could affect company organizational culture, as well as staffs productivity is uncertainty avoidance, and it is followed by individualism and power distance, whereas masculinity/feminity has no significance effect. In addition, the importance of the culture of uncertainty avoidance is very dominant in affecting staff productivity compared to collectivist and power distance culture, while collectivist culture is significantly more important than power distance culture. This is in agreement with the results obtained by Hofstede (2003). It can be seen that the results obtained when Malaysian company was considered is a bit different, and this proves that each country has their own level of national cultural dimensions which affect the company performance and staffs productivity uniquely. In general, these studies proved that national cultures played a crucial role on the performance of a company and its staffs (Dass, 2016; Denison, 1990; Petty *et al.*, 1995; Sandhu and Khan). The criteria with respect to Malaysian cultural values considered in this paper are presented in a hierarchical model as in Figure 1.

Figure-1. Hierarchical model for the study of the criteria for staff productivity related to national cultural values
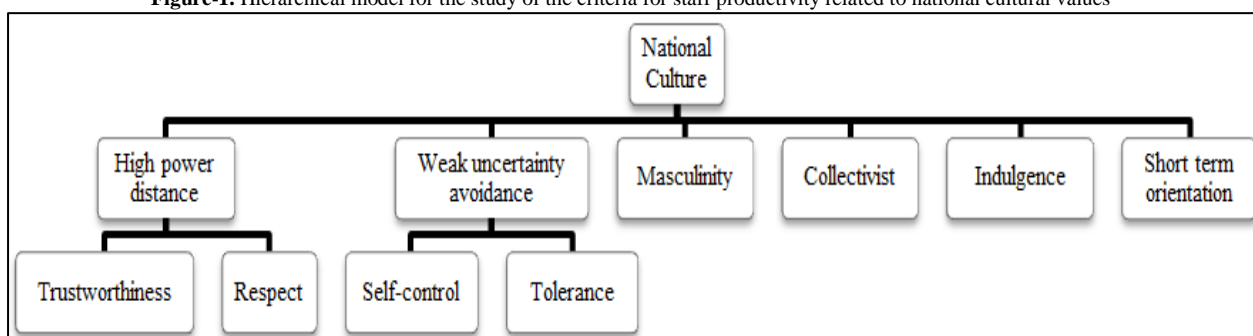
4. Conclusions and Future Works

Malaysia is moving forward as a developed country. As the country step forwards, there are many challenges appear and they have to be dealt effectively. Being a very diverse multi-cultural country, the cultural differences within Malaysian society have influence the performance of corporate company in Malaysia. The staffs' productivity plays an important role in the development of a company. The managers are expected to tackle the cultural differences, so that it will be an advantage to the company and not a drawback. Some cultural values might become a barrier if it is not dealt accordingly. For example, high power distance without effective communication will impact the productivity of a company negatively. As Malaysians are measured as society with high power distance, attention must be given to this. The emergence of diversity in organization needs to be handled carefully. All the criteria listed in this paper should be listed as the importance criteria for increasing staffs' productivity and it could help the managers to create a good workplace environment. This paper attempts to identify various criteria or factor of staff's

performance and productivity in relation to Malaysian cultural values. A comparative review is performed by revisiting the regarding literature which at the same time proved the significance effect of national values on staff's performance and productivity. Finally, a hierarchical model has been constructed for future research.

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