Effect of South Korean Corporate Culture on Employees at Subsidiary Firms in China

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Abstract

This paper investigates the organizational culture of subsidiary South Korean companies operating in China as defined by Denison's (1984, 1990) four "traits" of involvement, consistency, adaptability and mission. During the summer of 2016, a survey was conducted with indigenous employees working for South Korean companies in China to measure respondents' views, beliefs and values regarding Denison's organizational culture traits and their relationship to the respondents' organizational "commitments" of job performance, job satisfaction and job retention. A total of 373 responses were collected. Path analysis was used to test the effects of the four independent traits variables on the three dependent commitments variables. The results provide evidence that organizational culture (based on Denison's four traits) is measurable and correlates with the given job outcomes.

Keywords: *involvements, consistency, adaptability, mission, satisfaction, Chinese employees, performance, retention, culture*

1. Introduction

Contemporary companies manage and operate their businesses in very complex and competitive global environments (Kim, Park and Shin, 2018). To succeed in this business world, organizations need solid and operative internal cohesion. Much practical research has proved that one factor of strong and effective organizational cohesion is a company's organizational culture, which is an important element of organizational performance and success (Deal and Kennedy, 1982; Denison, 1990; Kim, Park and Shin, 2018). Therefore, company managers need to understand how employees perceive the organization and how employees behave toward that organization (Kim, Park and Ruy, 2018). Especially, business experts and managers

who own subsidiary companies in other countries need to understand how foreign employees perceive the mother company's organizational culture, because they may not perceive the mother company's organizational culture in the same way that employees from the mother country do (Kim, Park and Ruy, 2018). If foreign employees' perceptions of the mother company's organizational culture are different from those of the mother country's employees, they may develop negative attitudes towards their working environments, including their superiors and colleagues, and may show less committed citizenship behaviours toward their jobs. For this reason, experts and company managers need to understand employees' feelings and understand employees' experience of occupational stress and emotional distress (Kim, Park and Ruy, 2018). Studies of Korean companies' organizational culture have shown that based on the Competing Value Model (Kim, 2012), Korean companies have unique internal organizational cultures which are strongly group-focussed and hierarchical. On the other hand, according to Tsui, Wang and Xin (2006), the majority of organizations in China emphasize harmony, employee development and employee contribution. In the past, Korean hierarchical organizational culture positively affected Korean employees' organizational commitment; however, Korean organizational culture has become less hierarchical, so this culture might have less influence on employees today (Kim, Park and Ruy, 2018). In addition, recent organizational culture studies have shifted their focus from the functional and quantifiable aspects of management based on the Competing Value Model to the interpersonal and qualitative side of management based on Denison's model (Baker, 2002). Very few researchers have explored whether a company's organizational culture is perceived in the same manner outside its national culture. Therefore, it is worthwhile to find out how foreign employees perceive and behave in the organizational culture of a company that originated in a different country. Since many Korean companies have subsidiary companies in China, this study explores how Chinese employees perceive subsidiary Korean companies' organizational culture and investigates how their perception affects their job satisfaction, job performance and job retention. The study outcomes are compared with those of Korean employees from Kim, Park and Shin's (2018) previous study.

1.1. Concept of Organizational Culture

In order to understand organizational culture, it is necessary to first understand the general concept of culture. Taylor and Bowers (1972) defined the broad concept of culture as "that complex whole which includes knowledge, belief, art, morals, custom and any other capabilities and habits acquired by man as a member of society" (p. 1) as the sum of individuals' personality. Later

researchers defined culture as a system of country's values (Hofstede, 1980) and as "a relatively stable set of beliefs, values and behaviors commonly held by a society" (Lim, 1995, p. 16).

When we apply this concept to business, organizational culture can be seen as common values that individuals hold in the organization and that are adopted by the organization. Organizational culture has been widely studied since the 1980s (Smircich and Calas, 1987), and researchers have presented a variety of definitions of organizational culture. Organizational culture can be defined as a set of values that help "in unifying the social dimensions of the organization" (Peters and Waterman, 1982, p. 106); as "the shared understanding of an organization's employees—how we do things around here" (Wallach, 1983, p. 26); as the combination of basic assumptions and beliefs that organizational members share in common (Schein, 1980); and as values that lead to appropriate organizational behaviours in response to various and unexpected situations (Martin, 2002). Additionally, organizational culture can be defined as the pattern of shared and stable beliefs and values that develop within an organization over time (Gordon and Ditomaso, 1992). It encompasses "a set of structures, routines, rules and norms that guide and constrain behavior" (Schein, 2004, p. 1). Any identifying group with shared history and experiences can have a culture and include many subcultures (Schein, 1990).

Organizational culture influences managerial techniques which play a role in managing the whole organization and in aspects that a new member should learn and understand in order to adjust to the organization (Sriramesh, Grunig and Dozier, 1996). Schein (2004) mentioned that organizational culture consists of three levels: artifacts, belief and values, and basic assumptions. Artifacts come from an organization's physical forms and cultural expressions such as corporate architecture, symbols, ceremonies, and stories that present and reproduce shared organizational patterns of behaviour (Berg and Kreiner, 1990; Dutton, Dukerich and Harquail, 1994; Martin, 1993; Pratt and Rafaeli, 1997; Schein, 1990; Trice and Beyer, 1984). According to Schein (2004), "Belief and value involve the intrinsic meanings of behaviors and shared perception of the success and transformed process" (p. 28), and basic assumptions are "behaviors taken for granted within an organization and strongly held consensus and behaviors based on any other premises" (p. 31).

In addition, organizational cultures are neither standardized nor fixed (Kavanagh and Ashkanasy, 2006) because organizational culture focusses on the moment of events that happen in the workplace (Burke, 1994), or organizational cultures are interrupted by various events over time as cultural systems change (Weick and Quinn, 1999). Therefore, Hatch (2000) asserted that organizational cultures are continuously created and changed by organizational members. As such, organizations with a shared long-term

history or with longer membership can have a strong and highly consistent culture. Such a culture provides stability and positive outcomes for an organization (Deal and Kennedy, 1982; Schein, 1990). Ravasi and Schultz (2006) also emphasized that organizational culture can be a key factor in maintaining a distinctive and continuous organizational identity if the culture is strong and has unique characteristics.

In general, organizational culture is formed based on employees and superiors, products, processes and leadership's espoused values; hardened from the institution's experiences, general expectations, internal philosophy, and values that hold the work force together; and reflected in the organization's image, external interactions, and future plans (Belias and Koustelios, 2014). Likewise, if these shared meanings, values, assumptions, and beliefs of an organization can be identified and understood, it is possible to understand employees' various implicit and explicit organizational behaviours and intentions.

1.2. Dimensions of Organizational Culture

Many researchers have developed quantitative methods to measure and classify dimensions of organizational culture based on empirical data. Harrison (1975) classified four main types of organizational culture based on emphasis and extent of power, role, task and support. Later researchers have tested Harrison's instrument to identify organizational culture and confirmed its validity (Ashkanasy, Broadfoot and Falkus 2000; Ashkanasy and Holmes, 1995). Since 1980, Hofstede has studied organizational culture by investigating employees from ten different organizations to develop the Multi-Focus Model, which consists of six autonomous dimensions and two semi-autonomous dimensions (Hofstede, Neuijen, Ohayv and Sanders, 1990). O'Connor (1995) researched how organizational culture based on Hofstede's power distance influenced Singaporean-Chinese managers' budget participation. He concluded that power distance played a role in decreasing role ambiguity and enhancing superior/subordinate relationship. Deal and Kennedy (1982) also suggested four dimensions of organizational culture based on the organization's strategies and expectations from employees: Macho culture, Work Hard/Play Hard culture, Bet-Your-Company culture, and Process culture. Other researchers have used categories of organizational cultural values and norms such as the completion of work tasks, interpersonal relationships, and individual behaviour (Rousseau, 1990), and developed a measurement describing organizational culture values by using over 54 specific statements of cultural values (O'Reilly, Chatman and Caldwell, 1991). Gordon and Ditomaso (1992) examined organizational culture by using the Survey of Management Climate (Gordon and Cummins, 1979),

which found eight dimensions including clarity, communication, innovation, accountability, action, fairness, development and promotion. Sheridan (1992) studied organizational culture values in six public accounting firms using the Organizational Culture Profile (OCP) instrument originally developed by O'Reilly et al. (1991). Sheridan (1992) found seven common dimensions in the OCP value statements. His results indicated that organizational culture varied significantly across firms: for example, three firms focused on the interpersonal relationship values of team orientation and respect for people, while two other firms emphasized the work task values of detail and stability. Xenikou and Furnham (1996) emphasized one type of organizational culture oriented toward achieving goals, while Cameron and Quinn (2006) described a certain organization with an involvement-oriented culture focussing on relations among employees. Coleman (2013) has distinguished six common components of successful types of organizational culture: vision, values, practices, people, narrative, and place. Tsui, Wang and Xin (2006) analyzed organizational culture dimensions by comparing foreign-invested companies and state-owned companies in China. They found that foreign-invested companies emphasized standardization and communication more than other dimensions and that state-owned companies tended to emphasize employee development and leadership more than other dimensions. Cameron and Freeman (1991) examined three aspects of culture and their impacts on effectiveness based on data from 334 colleges and universities, and concluded that organizational culture has a significantly positive relationship with specific aspects of organizational effectiveness.
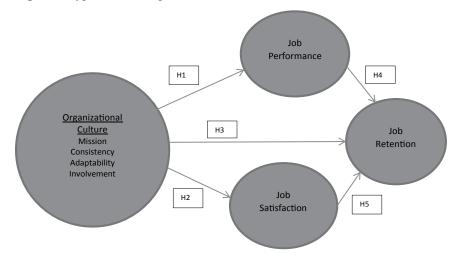
On the other hand, Denison (1984, 1990) and Denison and Spreitzer (1991) examined types of organizational culture based on four different characteristics: organization of work, emphasis on human resources, decision-making processes and co-ordination, and they explained each culture's characteristics in terms of effectiveness. In particular, Denison and his colleagues (Denison and Mishra, 1995; Fey and Denison, 2003) identified and validated four dimensions of organizational culture, including many different traits of an organization's subcultures: 1) Adaptability: creating change, customer focus, and organizational learning, 2) Mission: strategic direction, goals and objectives, and vision, 3) Consistency: core values, agreement, coordination, and integration, and 4) Involvement: empowerment, team orientation, and capability development. Zheng, Yang and McLean (2010) explored Denison's four dimensions of organizational culture. In their study, adaptability refers to the degree to which an organization has the ability to alter behaviour, structures, and systems in order to survive environmental changes. Consistency refers to the extent to which beliefs, values, and expectations are held consistently by members. Involvement refers to the level of participation by an organization's members in decision

making, and mission refers to the existence of a shared definition of the organization's purpose.

1.3. *Relationship between Employees' Behaviours and Organizational Culture*

Various researchers have investigated the relationship between organizational culture and effectiveness. Measures of organizational effectiveness have included an organization's financial performance (Denison, 1984), competence (Fleury, 2009), and employees' behaviours in the organization (Kravetz, 1988). For example, Denison (1990) contended that organizational culture is directly related to organizational performance. Gordon and Ditomaso (1992) investigated the relationship between strong corporate cultures and corporate performance and found that a strong culture was connected to excellent performance. They argued that if the organizational culture can adjust to external situations, the culture can have a significantly positive impact on organizational performance. Ogbonna and Harris (2000) examined the relationship between leadership style and performance and identified organizational culture as a mediator in this relationship. Ogbonna and Harris (2000) agreed that strong cultures with widely shared meanings, values and assumptions were positively associated with organizational success. They concluded that the bureaucratic form of culture was not directly related to performance, whereas the competitive and innovative forms of culture had direct, strong and positive relations with organizational performance. Denison (1984) studied 34 American firms over a five-year period, examining the relationship between organizational culture, based on the measure of employees' perception of the organization and their participation in the decision-making process, and the organization's financial performance. He found significantly positive relationships between employees' perceptions of an organizational culture and the organization's financial performance. Organizational culture also significantly impacts an organization's human resources management policies, such as selection processes, employment placement procedures, promotion policies, career development opportunities and reward systems (Kerr and Slocum, 1987; Kopelman, Brief and Guzzo, 1990). Organ and Ryan (1995) proved that job satisfaction is a critical element of employees' work attitude that leads to a favourable relationship with customers, and is strongly associated with some aspects of job performance, which has a significant impact on organizational effectiveness (Harrison, Newman and Roth, 2006). Sheridan (1992) found that the cultural values of an organization significantly influence voluntary turnover of newly hired employees. They examined voluntary survival rates, or the length of time that newly hired employees voluntarily stayed at their jobs, and found that

employees stayed an average of 45 months in cultures which focussed on interpersonal relationships but only 31 months in cultures which focussed on work values. Hansen and Wernerfelt (1989) also found a positive relationship between organizational cultural values and goal accomplishment based on the Survey of Organizations developed by Taylor and Bowers (1972). Therefore, organizational culture positively impacts employees' job satisfaction, job performance and job retention, which are important factors in improving organizational effectiveness by facilitating the quality of outcomes or decreasing labour costs (Kopelman, Brief and Guzzo, 1990). Keeping qualified employees is related to higher productivity. For this reason, this study examines the relationship between organizational culture dimensions and organizational effectiveness in terms of Chinese employees' job performance, job satisfaction and job retention (Figure 1). To achieve this goal, we hypothesized as follows:

Hypothesis 1: Organizational culture dimensions of Korean companies positively influence Chinese employees' job performance.

Hypothesis 2: Organizational culture dimensions of Korean companies positively influence Chinese employees' job satisfaction.

Hypothesis 3: Organizational culture dimensions of Korean companies positively influence Chinese employees' job retention.

Hypothesis 4: Employees' job performance positively influences Chinese employees' job retention.

Hypothesis 5: Employees' job satisfaction positively influences Chinese employees' job retention.

Figure 1 Hypothesized Organizational Culture Model

2. Methods

2.1. Survey Procedure and Data Collection

A self-administered questionnaire survey was simultaneously conducted in China, South Korea and the USA during the summer of 2016. The purpose of the project was to find out how foreign employees perceive subsidiary Korean companies' organizational culture and behave toward their organizations. To achieve this goal, the authors selected companies which had branches in different countries from the 2010 edition of Subsidiary Korean Company Directories (KOTRA, 2010). The companies which met the criteria were mainly manufacturing companies. To collect an adequate and representative sample size, we narrowed down the locations to Tianjin in China. We contacted human resource managers at preselected subsidiary Korean companies in Tianjin and asked managers to help with the distribution of the survey. The human resource managers from about 10 manufacturing companies agreed to help with this study and distributed a survey question-naire to local employees. Managers explained that participation in the survey was voluntary, responses were confidential, and nonparticipation or withdrawal from the survey would not jeopardize future relationships with the company. Chinese employees who participated in the survey consisted of supervisors, part-time workers, contract workers and others. Six hundred copies of questionnaires were distributed to Chinese employees working at subsidiary Korean companies, and a total of 372 responses, a response rate of 62.2%, were collected from the survey.

2.2. Measurement

To analyze how Chinese employees perceive subsidiary Korean companies' organizational culture and their behaviours toward their organization, we designed a questionnaire to solicit respondents' perception of Korean companies' organizational culture (mission, consistency, adaptability and involvement), job performance, job satisfaction, job retention and respon-dents' socio-demographic information. Respondents were asked to check responses on a scale from one to five that best reflected their perception of organizational culture and their behaviours toward the organization, with one being "strongly disagree" and five being "strongly agree". Measures assessing organizational culture were adopted from Denison and his colleagues' research (Denison, 1984 and 1990; Denison and Mishra, 1995; Denison, Nieminen and Kotrba, 2014; Denison and Spreitzer, 1991; Fey and Denison, 2003). These measures encompassed four functional dimen-sions: adaptability, consistency, involvement and mission. Each functional dimension was measured by nine items (Table 1) for a total of 36 items. For example, one item that measured

Table 1 Scale if Item-deleted of Constructs: Culture Dimensions

Dimension (Construct)	Index	Items	Scale if Item-deleted	Cronbach's alpha	Scale if Item-deleted	Cronbach's alpha	Mean
Mission	Strategic Direction and Intent	1	.796	.861	.905	.919	3.80
		2	.730		.904		3.89
		3	.879				
	Goals and Objectives	4	.825	.809	.910		3.92
		5	.685		.914		4.20
		6	.691		.911		4.21
	Vision	7	.804	.858	.901		3.90
		8	.806		.908		3.76
		9	.793		.906		4.02
Consistency	Core Values	10	.839	.860	.901	.911	4.03
		11	.771		.898		4.03
		12	.797		.899		3.96
	Agreement	13	.804	.822	.900		3.97
		14	.714		.900		3.87
		15	.741		.898		3.94
	Coordination and Integration	16	.755	.810	.904		3.71
		17	.678		.898		3.78
		18	.780		.903		3.73
Adaptability	Creating Changes	19	.724	.493		.905	
		20	.076		.898		4.09
		21	.066		.891		3.92
	Customer Focus	22	.843	.871	.888		3.92
		23	.790		.886		4.01
		24	.719		.890		3.96
	Organizational Learning	25	.621	.745	.891		4.03
		26	.651		.901		4.08
		27	.695		.899		3.89
Involvement	Empowerment	28	.792	.796	.900	.908	4.13
		29	.610		.902		4.02
		30	.734		.898		3.76
	Team Orientation	31	.789	.870	.896		4.04
		32	.826		.895		4.11
		33	.833		.898		4.01
	Capability Development	34	.818	.860	.895		4.03
		35	.771		.898		4.01
		36	.820		.901		3.90

goals and objectives, a sub-dimension of mission, was "There are short-term goals that help link what I do on a day-to-day basis to the strategy and vision of the company." Measures assessing job performance consisted of seven items adopted from Babin and Boles (1998) which captured Chinese employees' perception of the degree of their overall behaviour toward Korean organizations (Table 2). Measures for job satisfaction (four items) and job retention variables (four items) were adopted from Hartline and Ferrell's (1996) study (Table 2). All items used in this study were carefully translated by bilingual professionals in Chinese and modified to fit the Chinese study population based on a pilot study.

Table 2 Scale if Item-deleted of Constructs: Employees' Job Performance, Satisfaction and Retention

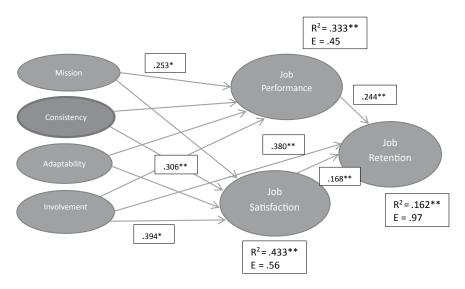| Construct		Variables	Scale if Item-deleted	Cronbach's alpha	Mean
Job Performance (JP)	1	I work the hours I am contracted to work.	.561		4.38
	2	I do a good job in terms of quality and quantity.	.916		4.42
	3	I deal honestly with clients and with the organization.	.562		4.42
	4	I intend to continue this work at the company, guard its reputation and put its interests first.	.551	.883	4.36
	5	I treat the company's property in a respectful way.	.553		4.43
	6	I dress and behave appropriately with customers and colleagues.	.564		4.38
	7	I am willing to go beyond my own job description, especially in an emergency.	.560		4.32
Job Satisfaction (JS)	1	Working for this company is very satisfying to me.	.761		3.95
	2	I am satisfied with my job.	.790		3.99
	3	My work in this company has met my expectations.	.765	.857	3.87
	4	My current work situation is not a major source of frustration in my life.	.908		
Job Retention (JR)	1	I often think about quitting this job.	.954		2.29
	2	It is likely that I will actively look for a new job next year.	.949	.961	2.33
	3	I will probably look for a new job in the next year.	.943		2.40
	4	I often think of changing my job.	.948		2.23

2.3. Data Analysis

It was hypothesized that Chinese employees' perceived organizational culture dimensions of Korean companies would predict positive relationships among job performance, job satisfaction and job retention. Figure 2 shows a path diagram showing the direct and indirect prediction of organizational culture dimensions (mission, consistency, adaptability, and involvement), job satisfaction, job performance and job retention. The model can be expressed by the following equations:

$$JR = f(JP, JS, MI, CO, AD, IN) \qquad (1)$$
$$JP = f(MI, CO, AD, IN) \qquad (2)$$
$$JS = f(MI, CO, AD, IN) \qquad (3)$$

where JP = job performance, JS = job satisfaction, JR = job retention, MI = mission, CO = consistency, AD = adaptability, IN = involvement

To verify the proposed model, we used a path analysis. Path analysis is a statistical technique for estimating the magnitude and significance (indirect and direct) of hypothetically causal relationships among sets of variables (Lleras, 2005). The arrow from the four exogenous variables depicts a progressive causal linkage between job satisfaction and job performance and job retention. Table 3 presents means, standard deviation and correlations of all variables for the sample. Figure 2 shows the path diagram, including the path coefficients. The coefficients are the standardized beta coefficient (β) of the exogenous variables of MI, CO, AD and IN on the three endogenous

Figure 2 Path Model with Significant Path Coefficient

Table 3 Means, Standard Deviation (SD) and Correlations for Variables (N = 370)

Variable	1	2	3	4	5	6	7	Mean	SD
1. MI	1.000							3.963	.672
2. CO	.841**	1.000						3.892	.615
3. AD	.815**	.890**	1.000					3.999	.616
4. IN	.792**	.855**	.879**	1.000				4.006	.650
5. JP	.547**	.518**	.530**	.542**	1.000			4.381	.561
6. JS	.604**	.596**	.625**	.635**	.554**	1.000		3.936	.762
7. JR	.250**	.237**	.257**	.309**	.340**	.308**	1.000	3.689	1.058

Note: JP = job performance, JS = job satisfaction, JR = job retention, MI = mission, CO = consistency, AD = adaptability, IN = involvement, **p<0.01.

variables of JP, JS and JR because, according to Stage, Carter and Nora (2004), "Path coefficients (β) are standardized within a model because they are estimated from correlations" (p. 6). The total association between any two constructs may be decomposed into direct and indirect effects (Duncan, 1966). Prior to the path analysis of the proposed model, Cronbach's alpha reliability test with scales if item-deleted was conducted for each construct. If the scale of item-deleted was bigger than the total value of Cronbach's alpha of each construct, that item was deleted. Tables 1 and 2 show the value of Cronbach's alpha for all seven constructs and reliability score for scale deleted-items for each constructs. Four items were deleted because the scale of item-deleted was lower than the Cronbach's alpha value for these items: Item 3 of MI construct, Item 19 of AD construct, Item 2 of JP construct, and Item 4 of JS construct.

For further analysis, each construct after inappropriate items-deleted was summated and the summated value of constructs was divided by the total number of items in each construct. To obtain estimates of the path coefficients, each endogenous variable (JP, JS, JR) was regressed on those variables that directly affected it. Lastly, the four exogenous variables (MI, CO, AD, IN) and the two intervening job related variables (JP, JS) were regressed against the JR variable. The standardized beta coefficient that results from the regression equation is the estimated path coefficient for each linkage. Path coefficient is the same as beta coefficient and represents a direct relationship. The difference between regression and path analysis is that each variable that is considered to be caused by another variable is treated as a dependent variable in a separate regression equation (Wright, 1985). Based on the results of regression analysis shown in Table 6, Figure 2 shows only statistically significant path coefficients. The indirect effect is the part of a variable's total effect that is transmitted or mediated by intervening variables between the cause and effect variables (Alwin & Hauser, 1975). To calculate indirect effect, we multiplied

the standardized path coefficient leading from each exogenous variable to each intervening variable by the standardized path coefficient that leads from the same intervening variable to its dependent variable. The total effect of a variable is the sum of the direct and indirect effects measured by the compound path (Jurowski, Uysal and Williams, 1997, p. 6).

3. Results

3.1. Profile of the Respondents

Table 4 shows all respondents' demographic characteristics. Among the respondents, 188 (50.5%) were males and 184 (49.5%) were females. The largest age group was 30–39 (51.9%) and the second largest age group was 20–29 (40.1%). One hundred and eleven respondents (29.8%) were single, about 16.7% of respondents were married without children, and about half of respondents (47.3%) were married with one or more children. About 62% of respondents reported that they graduated with a bachelor degree, whereas only 9.4% of respondents answered that they graduated with a high school diploma. Surprisingly, about 93.9% of respondents reported that they were working with the company as contract workers and about 46.6% of respondents reported that they were working less than 40 hours a week. Around 41% of respondents mentioned that their monthly salary ranged between ¥ 4,000 to ¥ 6,000, while about 31.1% of respondents reported that their monthly salary was between ¥ 2000 to ¥ 4000. Table 5 shows companies' profiles characteristics. In terms of organizational size, the average number of employees in each company was 1,258, but a majority of respondents (61.4%) answered that their companies had less than 1,000 employees.

3.2. Analysis of the Path Model

Figure 2 depicts the results of the previously explained regression equation and displays significant relationships between the exogenous and endogenous variables. The results showed that H4 (the relationship between job performance and job retention) and H5 (the relationship between job satisfaction and job retention) were statistically significant, implying that job performance and job satisfaction significantly impacted employees' job retention. Organizational culture as a whole significantly influenced job performance, job satisfaction and job retention; however, an individual dimension of organizational culture had a different effect. The mission dimension of organizational culture positively and significantly affected the perception of job performance (p=.004) but not job satisfaction (p=.116) or job retention (p=.392). Culture as a whole, job performance and job

Table 4 Respondents' Demographic Profiles

Sample size	Frequencies	Percent (%)
Gender (n=372)		
Male	188	50.5
Female	184	49.5
Age (n=372)		
19–29	149	40.1
30–39	193	51.9
40–49	29	7.8
Over 50	1	0.3
Marital status (n=372)		
Single	111	29.8
Married with no child	62	16.7
Married with children	176	47.3
Others	1	0.3
Educational level (n=371)		
Less than high school	25	6.7
High school	35	9.4
Two-year college degree	71	19.1
Four-year college	230	62.0
Masters	16	1.6
Ph.D.	4	1.1
Employment status (n=360)		
Contract workers	338	93.9
Full time	21	5.8
Part time	0	0
Others	1	0.3
Working hours a week (n=365)		
Under 40 hours	170	46.6
40 to 50 hours	120	32.9
51 to 60 hours	35	9.6
Over 60 hours	40	11.0
Working duration with a company (n=365)		
Under 5 years	205	56.2
5 to 10 years	108	29.6
10 to 15 years	30	8.2
15 to 20 years	17	4.7
Over 20 years	5	1.4
Monthly income (n=363)		
Under ¥2,000	2	0.6
¥2,000 – ¥4,000	113	31.1
¥4,001 – ¥6,000	149	41.0
¥6,001 – $¥,000	68	18.7
Over ¥8,000	31	8.5

Table 5 Characteristics of Organization

	Frequencies	Percent (%)
Company size (n=365)		
Small	48	13.2
Medium	224	61.4
Large	93	25.5
Industry (n=356)		
Construction	1	0.3
Manufacturing	252	71.1
Transportation	1	0.3
Communication	7	2.0
Electric and gas	2	0.6
Wholesale trade	44	12.4
Finance, insurance, real estate	9	2.4
Services	19	5.3
Others	21	5.9
Employee population (n=361)		
Fewer than 100	0	0
100 – 500	179	49.6
501 – 1000	50	13.9
More than 1000	132	36.6
Years of company duration (n=357)		
Under 10 years	31	8.7
10.1 – 20 years	269	75.4
20.1 – 30 years	57	16.0
Over 30 years	0	0

satisfaction accounted for 16.2% of the variance in job retention (R^2=.162, Figure 2). The consistency and adaptability dimensions of organizational culture did not significantly influence job performance, job satisfaction, or job retention. The involvement dimension of organizational culture significantly affected all endogenous variables of the perception of job performance (p=.004), job satisfaction (p=.000) and the job retention (p=.002). Table 6 depicts the results of the decomposition of the correlation between exogenous variables and job retention through job performance and job satisfaction. The direct effect of organizational culture as a whole (β=.299) on job retention variable contributed 54.8% of the total effect (β=.546) of this variable, and the remaining effects (β=.247) were indirect effects on the job retention variable through job performance and job satisfaction. Mission had a significant and positive direct and indirect effect on job retention through job performance;

Table 6 Decomposition of Effects from Path Analysis

Effects	Unstandardized coefficient (β)	SE	Standardized coefficient (β)	t-statistics	R²	Significance (p)
Culture → JP (H1)	.515	.041	.568	12.673	.322	.000**
MI → JP	.208	.72	.253	2.903		.004**
CO → JP	-.048	.097	-.055	-.497		.620
AD → JP	.092	.101	.105	.906		.366
IN → JP	.258	.088	.306	2.941		.004**
Culture → JS (H2)	.805	.563	.648	15.635	.420	.000**
MI → JS	.143	.091	.127	1.575		.116
CO → JS	-.018	.124	-.015	-.149		.882
AD → JS	.220	.128	.183	1.712		.088
IN → JS	.455	.111	.394	4.093		.000**
Culture → JR (H3)	.526	.091	.299	5.761	.090	.000**
MI → JR	.138	.161	.087	.856		.392
CO → JR	-.247	.220	-.145	-1.118		.264
AD → JR	-.001	.227	-.001	-.007		.995
IN → JR	.621	.197	.380	3.158		.002**
JP → JR (H4)	.460	.111	.244	4.132		.000**
JS → JR (H5)	.235	.083	.168	2.847		.005**

	Culture Dimensions				Culture (whole)	Job Performance	Job Satisfaction
Standardized direct effects	MI	CO	AD	IN			
Job Performance	.253**	.055	.105	.306**	.568**		
Job Satisfaction	.127	.015	.183	.394**	.648**	.000	.000
Job Retention	.087	-.145	-.001	.380**	.299**	.244**	.168**
Standardized indirect effects							
Job Retention	.093	-.016	.056	.141	.247	.000	.000

Note: JP = job performance, JS = job satisfaction, JR = job retention, MI = mission, CO = consistency, AD = adaptability, IN = involvement, **p<0.01.

however, the direct and indirect effects of CO on job retention through job satisfaction were negative but not statistically significant. Among cultural dimensions, only IN had positive and statistically significant direct (β=.380) and indirect effects (β=.141) on job retention.

4. Discussion

The results of this research confirm many previous studies showing that organizational culture as a whole has significant direct effects on job performance, job satisfaction and job retention (Denison, 1990; Gordon

and Ditomaso, 1992; Harrison, Newman and Roth, 2006; Kerr and Slocum, 1987; Ogbonna and Harris, 2000; Organ and Ryan, 1995; Sheridan, 1992; Kim, Park and Shin, 2018). Hence, the results confirm the hypotheses that organizational culture as a whole predicts positive relationships between job performance (H1), job satisfaction (H2) and job retention (H3) among Chinese employees of subsidiary Korean companies. In addition, job performance and job satisfaction had a significantly positive relationship with job retention, confirming H4 and H5. Therefore, this study suggests that organizational culture as a whole has a significant indirect effect on job retention when mediated by job satisfaction and job performance (Lee, Sablynski, Burton and Holton, 2004). It should be noted that this result is slightly different from that of the authors' previous study of Korean employees (Kim, Park and Shin, 2018). In that study, organizational culture did not show any indirect effect on job retention when mediated by job performance. When aggregated organizational culture was divided into four different dimensions, each dimension showed a different result from those of Denison, Nieminen and Kotrba's study (2014), in which all four dimensions directly and positively affected job satisfaction and job performance. In our research, the mission dimension of organizational culture directly and positively affected job performance but had no direct effect on job satisfaction or job retention. The consistency and adaptability dimensions had no significant and positive effect, either direct or indirect, on any endogenous variables. Only the involvement dimension of organizational culture had a significant and positive direct and indirect effect on job retention. The findings of this study suggest that Chinese employees perceive the involvement dimension of organizational culture as the strongest predictor of job performance, job satisfaction and job retention, whereas Korean employees perceived the mission dimension as the strongest predictor of job performance, the consistency dimension as the strongest indirect predictor of job satisfaction, and the adaptability dimension as the strongest predictor of job retention, both directly and indirectly (Kim, Park and Shin, 2018).

5. Conclusion

The results of this study indicate that among dimensions of organization culture, mission and involvement can predict Chinese employees' job performance. The results suggest that employees understand their company's strategic direction, goals and vision, and based on their understanding of the company's mission, employees try to do a good job, in both quality and quantity, for the company. Therefore, the mission dimension of organiza-tional culture directly impacts their job performance. The consistency and

adaptability dimensions did not predict Chinese employees' job satisfaction or job retention. It may be that Chinese employees do not perceive their company's core value or efforts to change, so employees' job satisfaction and performance are not affected by consistency and adaptability. Interestingly, involvement is the only dimension that can significantly predict employees' job performance, job satisfaction and job retention. This result suggests that when employees are empowered and have the potential for strong career development, they easily adapt to the external environment and look for new ways to do their job, and their willingness to leave the company decreases. It should be noted that the authors' previous study of Korean employees found that when Korean employees understood their company's strategy and followed its goals, their behaviours enhanced the company's value (Kim, Park and Shin, 2018). The findings of this study shed some light on the relationships between subsidiary Korean companies' organizational culture and Chinese employees' job performance, job satisfaction and job retention based on Denison's organizational culture dimension. Through clarifying the relationships, this study verifies that organizational culture, as based on Denison's four traits, is measurable and leads to important organizational outcomes. In a practical sense, the results of this study were significantly different from the authors' previous study of Korean employees (Kim, Park, & Shin, 2018). Therefore, subsidiary company managers need to emphasize the organizational culture dimensions to fit diverse employees (for example, based on nationality).

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Notes

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