

# *The Hypothesis of “Enlightened man” in Corporate Culture*

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**Abstract:** Corporate culture is a new stage of management development, emphasizing the value of organization and individual and self-management of individual. Through the analysis of the theory of human nature in the process of management development, this paper puts forward the hypothesis of “consciousness” which is compatible with contemporary enterprise culture, and defines the essential characteristics of consciousness from the three dimensions of skill maturity, self-confidence and clarity.

**Keywords:** Corporate Culture; Human Nature Hypothesis; Consciousness

The manager, McGregor, argues that every management decision or management measure is backed by assumptions about human nature and human behavior. Whether it is management theory or management practice, all are centered around the effective management of people. However, before implementing an effective management, we must first have a correct understanding of people. That is, to understand human nature. According to the development of human management practice, the evolving human nature hypothesis, respectively, adapted to the management in different periods and under different philosophy. Since the reformation and opening up, enterprise management has been developed from experience management to system management, and move forward to the development of cultural management. What is the characteristic of enterprise management in the context of corporate culture? How should human nature be positioned? This is the fundamental issue that current management and the business community must solve.

## **1. Corporate culture is the trend of contemporary business management**

Corporate culture is a philosophical reflection on the operation of enterprises. The concept of corporate culture is the reexamination of the cultural value, business philosophy, management process, and the long-term

performance of the organization after the evaluation of the assumption of “economic man”, “social person”, “self-realization person” and “complex person”.

### **1.1 Multi-cultural coordination in the context of globalization**

American anthropologist Crowe and Krakow argue that culture is a complete set of behavioral systems, and that the core of culture consists of a set of traditional ideas, especially the value system. Before the cultural exchanges, they have formed a unique set of values and behavior systems. This uniqueness foresees the possibility of future rendezvous and the basis of the conflict. According to statistics, the number of transnational enterprises accounted for the total number of enterprises around the world for about 3/5. And almost all of the business have a direct or indirect relationship with businesses in other countries, cooperate with the enterprises in other countries, or compete with enterprises in other countries. Multinational enterprises are composed of employees with different cultural backgrounds, faced with different work attitudes and goals caused by cultural differences. Managers have to have effective cross-cultural communication and coordination, in order to improve the effectiveness of business operations. In this context of transnational business activities, it is clear the enterprises not only should concern about the shared features of globalization, but also should pay attention to the formation of cultural personality within the enterprise. The enterprises should educate employees from different cultures on the one hand and enhance the overall transmission effect on the other hand.

### **1.2 “Collective emotional intelligence” determines business potential**

Everyone wants their knowledge and skills to be realized by gaining recognition from enterprises. The recognition of the enterprise, is first by all colleagues and higher managers, and then by customers or suppliers and other outsiders. And all these “recognized people” composed of an environment. Without the recognition of these people, the application and

development of a person's knowledge and skills is almost impossible. In this sense, it is the environment which determines a person's application of knowledge and skills, and the extent of potential development. Under the premise of the basic establishment of management system, the knowledge and skills of employees, excellent cultural environment will be strategic to the value of the enterprise. Its importance will be far beyond the requirement of knowledge and skills. Through stimulating the potential of employees and cooperation with each other to enlarge the capacity and resources of enterprises, and then obtain excellent performances beyond expectation.

### **1.3 The binary opposition in the value of Chinese enterprises**

China began reformation and opening up in 1978, the Western personal heroism has a great impact on Chinese altruism and collectivism. Since 2009, the prevalence of networks and the explosion of information coupled with the increasing development of internationalization, the idea is increasingly diversified and personalized. For example, contemporary younger generation is not so devoted as previous generations. The high turnover rate of talents makes the employers reluctant to do long-term investment, but it is in line with the idea of market economy. The contrast of values results in a typical binary pattern of enterprise management. Business management is more of the business of the managers. Most entrepreneurs promote their own value as the core idea of corporate culture, but it is in contrast with the staff's values; therefore, the employers will naturally lose the support of the employees. Consciousness determines the behavior, high-level values determine its management ideas, and then reflect on the system of the enterprises. If the system and the staff's expectation do not match, it will lead to the employees' negative resistance to the system. To resolve the phenomenon of dual cultural conflicts, both parties should try to be consistent in value systems.

### **2.The theories and defects of human assumption then and on**

On certain degree, management is also called "the study of human nature". In ancient China, there was one coin doubt side for human nature--goodness and evil. There were also different opinions in western countries. Not only for past time but also at present, different hypothesis in human nature has different reflect while practice in management. Regarding to management, how to recognize human nature properly has significant meaning and importance. Thus, based on characteristic of current society and economy, it is necessary to generalize and

evaluate deeply for these opinion.

### **2.1 The human hypothesis theory in the development of management**

Adam Smith proposed the hypothesis of "Economic man". They think that people are "rational, pursue their own interests to maximize their own benefits". The managers will use materialistic interests to motivate the enthusiasm of the employees. The idea of "economic man" is the reflection of the relations of capitalist production and becomes the guiding ideology of Taylor's "scientific management" theory.

#### **2.2.2 "Social people" hypothesis**

In the 1930s, Mayo proposed this hypothesis through Hawthorne's experiments. They think that people are not only concerned about the individual material interests, but also pursue friendship, a sense of security and belonging. Interpersonal relationships are the main factors that determine employees' motivation.

#### **2.2.3 "Self-realization" hypothesis**

Maslow thinks that people's needs are multi-level. People have the greatest needs of maximum use and development of their own talents, hoping to have access to their own development and maturity. "Self-realization" is the greatest motivation for work.

#### **2.2.4 "Complex" hypothesis**

In the 1960s, Sain puts forward the view of "complex man". He thinks that people's needs and potential aspirations are varied, they will constantly change with age, the role played in the society, the situation, and the changes in interpersonal relationships.

### **2.2 The lag of the assumption of the human nature**

With the globalization of contemporary economy, knowledge replacing traditional elements becomes the driving force of economic development. People possessing knowledge and innovative ideas will master the key of economic development. "Economic people", "social people" and "self-realization" have consistent view between "people" and its relationship with knowledge, in which people are treated as passive recipients and simple users of knowledge. The "people" here do not take the initiative to pursue knowledge, not to take the initiative to create knowledge. They gain knowledge only for high wages or more satisfying goals. The organization is just an information processing plant, and people are just information access stations. The theory of human nature in the industrial economy to improve management performance is reasonable, but it is gradually outdated in the wave of knowledge economy.

Knowledge has replaced traditional capital and labor as the primary element. Organizations

should not only use knowledge but also create knowledge. As a result, the management philosophy also changes accordingly. Managers are the main body, the management of the staff is also the main body, the original subject and object relationship has changed into the relationship between the main body and the individual. The original one-way obedience relationship turns into a two-way interactive and mutually-incentive relationship. When this new management relationship is established, it actually contains the new development of corporate philosophy. Enterprises only treat employees as a purpose, employees may regard the business' goal as their goals. The corporate culture inherently demands this kind of values. China's reformation and opening up has been more than 30 years, although the management of different enterprises still exist in different stages of development, human nature is also affected by cultural background and the background of the times. However, in response to the requirements of management softening and knowledge innovation, correctly putting forward the human hypothesis theory will be particularly important in terms of business management.

### 3. Human nature hypothesis coping with corporate culture

In the history of economic evolution, the human nature hypothesis has also undergone substantial changes. China's corporate culture is based on learning the concept of western management, while taking the oriental culture inherent in the "human hypothesis" as a cornerstone. In the corporate culture, the staff should be self-conscious, innovative, and self-developed. The author in the present study assumes this type of person as "enlightened man". In the history of management, Hirsch and Blanchard's situational leadership theory puts forward the concept of "subordinate maturity". Maturity refers to the ability and willingness of an individual to be responsible for his or her actions. Maturity includes two aspects: job maturity and mental maturity. Based on the analysis framework of "maturity theory", this paper puts forward the three-dimensional model of "enlightened man" hypothesis based on knowledge, skills and self-consciousness.

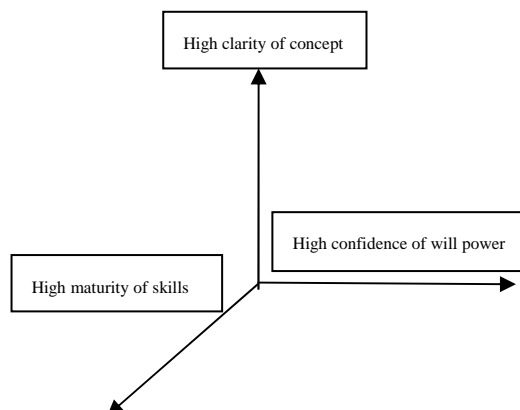


Figure 1. Three-dimension of "Conscious man"

#### 3.1 High maturity of skills

Similar to the maturity of work, the maturity of skills refers to the expertise level of knowledge and skill in the work. Enlightened man is the owner, user and developer of the knowledge and technology as organization required. They are not to accept the knowledge passively, but to take the initiative to obtain knowledge and even create knowledge. The knowledge and skills acquired by the enlightened man directly become the capital of the business activities. Labor is not limited to repetitive labor, but also for creative labor. The people can perfectly achieve the integration of repetitive labor and creative labor. Because the extent of the maturity of the knowledge and skills is high, their ability to complete the tasks in the organization is very strong, so they do not need too much guidance and intervention.

#### 3.2 The high self-confidence of will power

The prerequisite for successful achievement is self-confidence. Their motive and willingness to work come from inside, they pursue high quality work, and maintain a high degree of consciousness. They hold positive attitude towards their work, overcome the fear of the risk of responsibility. They take the initiative to assume responsibility to have good performance, and then strengthen self-confidence. High self-confidence prompts them to create more contributions beyond the limitation of themselves. Enlightened man with strong will power and self-confidence, integrates individual needs with organizational goals together, promises to the organization, and hope to gain autonomy.

#### 3.3 High-clarity of the concept

Marx made a classic expression of the essence of human nature: the essence of human nature is not an inherent abstraction of a single person. In reality, it is the sum of all social relations. The concept of clarity refers to the realization of self-worth on the whole. Clear

self-consciousness determines its full evaluation of their own, chooses their own guidelines and develops a personal vision. Culture is full of life. The self-concept of consciousness is based on the long-term interaction with the corporate culture. This self-concept, coming from personal factors, and more from the corporate culture, is the internalization of corporate culture inside the employees. A human being is like a hologram, and every employee reflects the culture of the team. The part is the whole and the whole is the part.

The self-concept reflects an enterprise's self-consciousness on the one hand. It also shows the enterprise's requirement to individual's self-awareness. This kind of employee's self-consciousness and corporate consciousness is in line with operation of the corporate culture. Enlightened man has high recognition of themselves, high recognition of themselves and others, and high recognition of their relationship with the organization. So that they can achieve a realm to completely develop themselves.

#### **4. Management suggestions under the consciousness hypothesis**

##### **4.1 Emphasizing two-way understanding between managers and employees**

Traditional human nature hypothesis management theory emphasizes the manager's understanding of the manager, which causes the manager to understand the subordinates very clearly. Although there are many similarities, but the differences are always objective, especially because the individual varied in culture, education, lifestyle, personality, temperament and so on, a supervisor is difficult to objectively evaluate all subordinates. "Enlightened man" hypothesis emphasizes mutual understanding between managers and employees, it changes the original one-way obedience relationship into a two-way cognitive, mutual incentive relationship. Managers can inform the employees of their management habits, knowledge, ability, experience, personality, etc., and employees can also inform the manager of their ability, so as to enhance mutual understanding and consensus.

##### **4.2 Cultivate the organization's collective EQ**

Managers have to re-examine the way they manage the staff. Organizational culture will form and decide "collective emotional quotient". "EQ" reflects the "strain". "Collective EQ" level

will determine whether employees can effectively interact, in respond to market changes, and then form a high level of decision-making and response methods. In the homogenization of product technology, the concept of culture will not only affect the development of staff's potential, but also further determines the "collective EQ". This will determine whether members can respect different ways of thinking and doing things, and encourage members to express their views boldly, so as to promote the formation of "collective intelligence", and thus effectively respond to environmental changes.

##### **4.3 Lead into the self-help incentives**

Enlightened men tend to be in need of prestige, achievement and personality development, and they are very clear about the type of self-needs and the extent of needs. Enterprises can take the self-help incentives. That is, according to the extent of individual contributions, the incentives can be achieved in several types. Individuals can freely choose the way of motivation according to the extent of contribution, or they can even design their own incentives to maximize the individual satisfaction and ultimately realize of the maximization of corporate interests.

#### **5. Conclusion**

Corporate culture is essentially a spiritual incentive by meeting the high levels of staff's needs. "Enlightened man" hypothesis fully absorbs the essence of traditional Chinese culture of human nature, but is also in line with the knowledge economy. Under the assumption of "enlightened man", the staff redefines the value of work and the meaning of life, liberate from the "passive" working status, and become their own managers. It can be seen that the "enlightened man" matches the core of the corporate culture.

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