

# Job Satisfaction of Korean Local Managers (KLM) in Relation to Their Level of Czech Communication Skills

Min Woo Park

(Department of Business Administration and Management, Faculty of Economics, The University of West Bohemia, Czech Republic)

**Abstract:** The purpose of this study is to study examine the causal correlation between Czech communication skills in Korean local managers (KLM) and their level of job satisfaction. The cultural differences between Korea and the Czech Republic according to Hofstede were used in this study as well as the communication differences according to Edward Hall. In order to verify the hypothesis based on the research model, a survey among 75% of all Korean local managers who work in Korean companies in the Czech Republic was carried out. According to the results of survey, it can be said that level of job satisfaction and the Czech communication skills of KLM are in direct proportion, within the private sector. In the present study the dimensions of job satisfaction of KLM consists of six facets: work itself, pay, promotion, relations with expatriates, relations with coworkers, and relations with subordinates. The Czech communication skills of KLM are being high communication skills and the other low communication skills. High communication skills mean that the employee cannot communicate in Czech at all or only on a very basic level. The study suggests how to manage human resources in order to increase job satisfaction, to increase communication skills and to create a more harmonious global company culture.

Key words: Czech Republic; South Korea; company culture; culture management; job satisfaction; Czech communication skills

JEL codes: M120, M14, M16

## **1. Introduction**

Global competition among companies is becoming more intense. In order for companies to survive the cut-throat global competition, attaining a competitive foothold in terms of quality, brand, and price is crucial. It is important for companies to create a global company culture in order to attain this competitive foothold. Global company culture consists of globalization and localization.

The FDI of Korean companies has increased and many have begun build factories in the Czech Republic since 2004 when the Czech Republic joined with EU. Some non-Czech managers are managing local employees meaning that many cultural conflicts and communication problems have occurred.

Min Woo Park, MBA in Marketing, Ph.D. Student, Department of Business Administration and Management, Faculty of Economics, University of West Bohemia; research areas/interests: cross cultural management, communication satisfaction, job satisfaction, international human resources. E-mail: welovepraha@gmail.com.

Around 57 Korean companies have entered the Czech Republic and they are creating a new company ethos mixing global and local culture. Korean companies have recruited Korean local managers (KLM) in order to overcome the culture gap. These KLM are similar to Czech local managers (CLM) in that they must follow the guidelines of Czech employment law, but are similar to Korean expatriates (KE) in that the Korean language is their mother tongue and both of them have Korean nationality. KLM usually work as coordinators or middle managers between CLM and KE. Their position is very important in supporting KE and in managing or co-working with Czech employees. KLM can be divided into two groups. One group prefers speaking English over Czech whilst the other prefers speaking Czech over English. The second group is more likely to be familiar with Czech culture, as well as being more able to understand their Czech colleagues' behavior.

The purpose of this study is to study examine the causal correlation between Czech communication skills in KLM and their level of job satisfaction. The cultural differences between Korea and Czech Republic according to Hofstede were used as well as the communication differences according to Edward Hall. In order to verify the hypothesis based on the research model, a survey among Korean managers who work in Korean companies in the Czech Republic was carried out. Seventy-five percent of participants in the study consisted of Korean local managers from Korean companies located in the Czech Republic. According to the results of survey, it can be said that level of job satisfaction and the Czech communication skills of KLM are in direct proportion within the private sector.

In the present study the dimensions of job satisfaction of KLM consists of six facets: work itself, pay, promotion, relations with expatriates, relations with coworkers, and relations with subordinates. The Czech communication skills of KLM can be divided into two groups — one being high communication skills and the other low communication skills. High communication skills mean that the employee can communicate in Czech fully or fairly competently in any given situation. Low communication skills mean that employee cannot communicate in Czech at all or only on a very basic level. According to the results of the survey, the Czech communication skills of 40% of KLM are at a low level, with the other 60% able to communicate at a high level. The study suggests how to manage human resources in order to increase job satisfaction, to increase communication skills and to create a more harmonious global company culture.

#### 2. Study of Method

#### 2.1 Study Model and Hypotheses

This study model was designed to find the job satisfaction in relation to their level of Czech communication. The hypotheses of this study are as follows:

Hypothesis 1.The level of Czech communication will have an effect on Job satisfaction.

#### 2.2 Study Design of Survey

2.2.1 Technical Definition and Measurement of Variables

It is expected Questions were adapted from other similar questionnaires relating to Communication satisfaction and Job Satisfaction, such as "Effects of the Internal Communication among the Corporate Employees on Job Satisfaction (Kim, Kyung-Ho, Chung-Ang University, 2007)".

The questionnaire included an 18-item scale to measure six specific job satisfactions: work itself (items 1, 2, 3), pay (items 4, 5, 6), promotions (items 7, 8, 9), relations with expatriates (items 10, 11, 12), relations with coworkers (items 13, 14, 15), relations with subordinate (items 16, 17, 18). The scale uses a five-point rating scale with 5 = strongly agree; 4 = agree; 3 = neither agree nor disagree; 2 = disagree; and 1 = strongly disagree.

## 2.2.2 Organization of Questionnaire

The questionnaire was organized as shown in Table 1 below.

Table 1 Ofganization of Questionnance			
Field and Details		Question No.	No. Of Questions
Job Satisfaction	Work itself	1, 2, 3	3
	Pay	4, 5, 6	3
	Promotions	7, 8, 9	3
	Relation with expatriates	10, 11, 12	3
	Relation with co-workers	13, 14, 15	3
	Relation with subordinates	16, 17, 18	3

Table 1	Organization	of O	uestionr	naire
Table 1	Organization	υv	ucsuom	ian u

Source: Own

## 3. Comparison between Cultures of the Republic of Korea and the Czech Republic

## **3.1 Cultural Determinants**

Culture is an integral part of all human societies (Browaeys, Marie-Joëlle, 2008). According to Fleury (2009) the concept of culture refers to the values and meanings that influence human behavior and organizational practices (Maria Tereza Leme Fleury, 2009). The complexity of contemporary societies increases with the roles in which they are interpreted. These roles are determined by cultural influences. Each company defines its own standards and methods in which they are implemented. It can be said that culture is a structure that gives form of behavior, and sets the framework for exchanges between people within this group. If we know the culture of the company and the country, so it will be easier to understand the behavior of people and co-workers from that country. It will then, in turn, become easier to overcome cultural differences and conflicts.

# 3.2 Cultural Differences by Professor Hofstede

By looking at the Research of Professor Hofstede we can observe the typical cultural features within Czech and Korean companies and demonstrate a series of examples.



Figure 1 Cultural Differences between the Czech Republic and the Republic of Korea

Source: Based on G. Hofstede a Gert Jan Hofstede, "Kultury a organizace: Software lidske mysli." Linde (Praha) 2007, pp. 43-163

As follows from the above graph, Korea is a hierarchical, collectivist and long-term oriented society. The Czech Republic is, on the contrary, an independent, individualistic society with equal rights for all, and short-term oriented culture.

## **PDI: Power Distance**

This dimension deals with the fact that all individuals in societies are not equal — it expresses the attitude of the culture towards these inequalities amongst us. Power distance is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed

unequally. In high power distance cultures, employees expect to receive commands from their superiors, and conflicts are resolved through formal rules and authority. In contrast, participative management is preferred in low power distance cultures, and conflicts are resolved more through personal networks and coalitions (M. Erez & P. Christopher Earley, 1993).

#### **IDV: Individualism–Collectivism**

The fundamental issue addressed by this dimension is the degree of interdependence a society maintains among its members. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to "in groups" that take care of them in exchange for loyalty (G. Hofstede a Gert Jan Hofstede, 2007).

#### MAS: Masculinity–Femininity

A high score (masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner/best in field — a value system that starts in school and continues throughout organizational behavior. A low score (feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. The fundamental issue here is what motivates people, wanting to be the best (masculine) or liking what you do (feminine) (G. Hofstede a Gert Jan Hofstede, 2007).

#### **UAI: Uncertainty Avoidance**

Uncertainty avoidance is the degree to which people tolerate ambiguity or feel threatened by ambiguity and uncertainty. This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. Employees with high uncertainty avoidance value structured situations where rules of conduct and decision making are clearly documented. They prefer direct rather than indirect or ambiguous communications. But High power distance makes it less appropriate to speak forthrightly to those with higher status. The collectivist culture discourages direct communication, which can potentially disrupt harmonious relations within the group (M. Erez & P. Christopher Earley, 1993).

#### LTO: Long term Orientation

The long term orientation dimension is closely related to the teachings of Confucius and can be interpreted as dealing with society's search for virtue, the extent to which a society shows a pragmatic future-oriented perspective rather than a conventional historical short-term point of view (G. Hofstede a Gert Jan Hofstede, 2007).

## 4. Communication Difference between the Republic of Korea and the Czech Republic

#### 4.1 Definition of Communication

Culture and communication are inextricably linked. Cultural background plays a large role when you are communicating both with international colleagues and with culturally diverse colleagues in the CR.

The definition of communication is: a process which takes place between a sender and a receiver, in which both parties play an active part. It involves expectation on the part of the sender, in which these expectations need to be determined prior to communication itself. It is result-oriented: that is, there is an action required on the receiver's side.

	Korea	Czech Republic	
PDI	1. The Korean employees avoid explaining their opinions to managers naturally. When having a meeting, employees do not express their	1. Czech employees communicate with each other fully and subordinate staff members express their	
IDV	<ol> <li>The principle of seniority is a very important in Korean companies and society.</li> <li>Salary depends on the time spent in the company not on the experience of staff.</li> </ol>	work and another is for private life. After work they	
MAS	<ol> <li>It is important to be regarded as successful and to reach goals.</li> <li>People work hard to achieve a high living standard and to be able to "show their achievements".</li> <li>Long working hours and dedication to work are needed in order to achieve this.</li> </ol>	favored.	
	<ol> <li>One of the most uncertainty avoiding countries in the world (G. Hofstede a Gert Jan Hofstede, 2007).</li> <li>There is an emotional need for rules, time is money, people have an inner urge to be busy and work hard</li> <li>"Hurry Hurry" culture, high suicide rate, and high consumption of alcohol</li> </ol>	<ol> <li>Precision and punctuality are the norm, innovation may be resisted, and security is an important element in individual motivation.</li> </ol>	
LTO	<ol> <li>The long term oriented societies</li> <li>Fast growth of Korean economy from 1970 to 2000</li> <li>Priority given to steady growth of profit over a 10 year period, rather than to quarterly profits (G. Hofstede a Gert Jan Hofstede, 2007).</li> </ol>	<ol> <li>Short term oriented culture.</li> <li>Free time is important.</li> <li>Importance of profit over a 1 year period.</li> <li>Freedom, law, performance and individual opinion are the main working values.</li> </ol>	

Table 2 Cultural Differences between the Czech Republic and the Republic of Korea

Source: own

Communication is initiated behavior that can be accomplished either through oral or written language, by non-verbal language (actions) or by silence, where no language is involved (Derek Rollinson, David Edwards, Aysen Broadfield).

Communication can flow vertically or laterally. The vertical dimension can then be further divided into downward and upward directions. Communication that flows from one level of a group or organization to a lower level is a downward communication. Upward communication flows to a higher level in the group or organization. When communication takes place amongst members of the same working group, among members of working groups at the same level, among managers at the same level, or among any horizontally equivalent personnel, we describe it as lateral communication (Stephen P. Robbins).

#### 4.2 Communication Difference

Cultural context is the pattern of physical cues, environmental stimuli, and implicit understanding that convey meaning between members of the same culture. However from culture to culture, people convey contextual meaning differently. In fact, correct social behavior and effective communication can be defined by how much a culture depends on contextual cues.

According to Edward Hall's definitions, in a high-context culture such as South Korea, China or Japan people rely less on verbal communication and more on the context of nonverbal actions and environmental setting to convey meaning.

In a low-context culture such as the Czech Republic or Germany people rely more on verbal communication and less on circumstances and cues to convey meaning. Contextual differences are apparent in the way cultures approach situations such as negotiating, decision making, and problem solving (H. Dan O'Hair, James S. O'Rourke, IV, Mary John O'Hair).

#### **5.** Local Managers in Korean Companies

## 5.1 Human Resources in Korean Companies in the Czech Republic

Human resources consist of Korean Expatriates (KE), Local Managers (LM), Local Employees (LE), and Third Country Employees (TCE). KE tend to be upper managers or executives of companies in the Czech Republic whilst LE and TCE are often in lower positions. LM are in middle positions.KE are experienced in their role and familiar with the culture and system of HQ, helping the local branch follow the purpose and policy of HQ. KE have opportunities for promotion thanks to international experiences and receive financial benefits such as educational support for children etc. (Vaclav Cejthamr, Jiri Dedina, 2010). LM are experienced of the limitation of promotion, communication problems with KE, avoidance of authoritarian style of management etc meaning that they are more likely to change jobs (Zeira Y., 1975). LE and TCE usually belong to the lower position in organization chart. They are likely to expect salary and welfare conditions that are lower than that of KE and LM. They are more likely to be familiar with local employees and more learned in the local environment than KE.



Source: own

## 5.2 Definition of Local Managers

Local Managers work in local branches and must follow the guidelines of Czech employment law. Local Managers can be divided into two groups — with one being Czech Local Managers (CLM) and another being Korean Local Managers (KLM). These KLM are similar to CLM in that they must follow the guidelines of Czech employment law, but are similar to KE in that the Korean language is their mother tongue and both of them have Korean nationality.



(Source: Own)

#### 5.3 Role and Importance of Korean Local Managers

Korean companies have recruited KLM in order to overcome communication problems and cultural gaps amongst staff. KLM support KE and co-work with CLM and CLE. They can shorten the power distance between KE and CLM and CLE.

	Strong points	1. removal of obstacles such as language barrier
Korean local managers		2. reduced cost of salary
		3. possibility of familiarity with local environment
		4. bridges the gap between KE and CLM, LE
		5.opportunity for global experience
		1. Possibility that they will expect welfare condition like KE.
		2. limited work experience (only in local branches)
	Weak points	<ol> <li>limited work experience (only in local branches)</li> <li>Possibility of high staff turnover which negatively affects Bus</li> </ol>
		Continuity Management.
		4. There are not many Koreans who speak the Czech language
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Table 3	Strong and	Weak Points	of Korean I	Local Managers
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Source: Based on Dowling, Welch, and Schuler (1999)

## 6. Job Satisfaction of Korean Local Managers

#### 6.1 Definition of Job Satisfaction

A positive attitude toward one's work is called "job satisfaction". In general, people experience this attitude when their work matches their needs and interests, when working conditions and rewards are satisfactory, when they like their co-workers, and when they have positive relationships with supervisors (Richard L. Daft, 2006).

Locke (1976) defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences (E. A. Locke, 1976) or as a "collection of attitudes about specific facets of the job". After considering all the above, we can consider job satisfaction to be an emotional attitude to work instead of behavior or activity. In this study I want to define job satisfaction as personal emotional attitude to relations between members and organizational culture.

Locke (1976) describes the common factors contributing to job satisfaction as "work, pay, promotions, recognition, benefits, working conditions, supervision, coworkers, company and management" (E. A. Locke, 1976).

Job satisfaction consists of a variety of satisfaction facets involving workers' feelings toward various aspects of the work environment. The most common and most important facets of job satisfaction are the characteristics of the work itself, the amount of work, the physical working conditions, co-workers, supervision, compensation, promotional opportunities, and organizational policies and practices (Jon L. Pierce & Donald G. Gardner, 2002).

The purpose of this study is to study examine the causal correlation between Czech communication skills in KLM and their level of job satisfaction. In order to verify the hypothesis based on the research model, a survey among Korean managers who work in Korean companies in the Czech Republic was carried out. Seventy-five percent of participants in the study consisted of Korean local managers from Korean companies located in the Czech Republic.

In the present study the dimensions of job satisfaction of Korean local managers consists of six facets: work itself, pay, promotion, relations with expatriates, relations with coworkers, relations with subordinates. Questions were adapted from other similar questionnaires relating to Job Satisfaction, such as "Effects of the Internal Communication among the Corporate Employees on Job Satisfaction" (Kim, Kyung-Ho, Chung-Ang University, 2007).

The questionnaire included an 18-item scale to measure six specific satisfactions: work itself (items 1, 2, 3), pay (items 4, 5, 6), promotions (items 7, 8, 9), relations with expatriates (items 10, 11, 12), relations with coworkers (items 13, 14, 15), relations with subordinate (items 16, 17, 18). The scale uses a five-point rating scale with 5 = strongly agree; 4 = agree; 3 = neither agree nor disagree; 2 = disagree; and 1 = strongly disagree.





Figure 4 JobSatisfaction of Korean Local Managers (KLM) in Korean Companies Source: own

According to the results of the questionnaire, job satisfaction in the case of relations with coworkers, subordinates, relations and KE, satisfaction with one's role at work is higher than other facets but job satisfaction in terms of pay and promotions is lower. Job satisfaction in the case of relations with staff, coworkers and subordinates is higher than relations with KE who only speak Korean and English.

We can expect KLM to share their opinions more with co workers or subordinates than KE. The company should focus on the relations between KE and KLM rather than relations between KLM and their Czech subordinates in order to increase job satisfaction of Korean local employees. Similarly, the company should consider the relationship between KE and CLM, as this is also quite weak. Job satisfaction relating to promotions is the lowest amongst all facets. It means that Korean local managers have limited prospects of promotion due to KE. KLM are likely to consider receiving lower wage than KE even though they are dealing with the same task.



Figure 5 JobSatisfaction of Korean Local Managers (KLM) according to Their Czech Communication Level in the Private Sector Source: own

According to the results of survey, job satisfaction and the Czech communication skills of KLM are direct proportion within the Private Sector.

The Czech communication skills of KLM can be divided into two groups-one being high communication skills and the other low communication skills. High communication skills mean that the employee can communicate in Czech fully or fairly competently in any given situation. Low communication skills mean that employee cannot communicate in Czech at all or only on a very basic level.

KLM who speak Czech well have higher job satisfaction in four facets (role at work, promotions, relations with coworkers, relations with subordinates) unlike other employees who cannot speak Czech well or can speak a little. Pay comes out as a negative aspect of job satisfaction for of managers who took the survey. It means that KLM regardless of communication skills are likely to consider receiving a lower salary than KE. According to the results of the survey, promotion of KLM depends on their Czech communication skills. We can expect that KLM in high positions can speak Czech better than those in lower positions.

Managers who have high Czech communication skills tend to have the best relations with their subordinates and coworkers. KLM have lower relations with KE than with their coworkers and subordinates. Managers who have low Czech communication skills have lower relations with KE and coworkers than subordinates. It means that they are closer to subordinates than other staff and share their opinions more with them. KLM have low job satisfaction in the area of relations with KE even though they are the same nationality.

It can then be said that managers who have high Czech communication skills have higher job satisfaction in four facets than those with low Czech communication skills, so they are likely to work longer within the same company than others.

# 7. Conclusion

The purpose of this study was to examine the causal correlation between Czech communication skills in KLM and their level of job satisfaction.

By taking all of the aforementioned into account, it can be said that Korean local managers in private sectors who speak Czech well have higher job satisfaction in all facets(work, pay, promotions, relations with expatriates, relations with coworkers, relations with subordinate) than other managers who cannot speak Czech well or can only speak a little. It can be assumed that managers who have high communication skills have higher job satisfaction in all facets than others so that they are likely to work in the same company for longer than others. KLM, regardless of Czech communication skills, have low relations with KE even though they speak Korean and their nationalities are the same, possibly due to resentment created by their differing working conditions

How can Korean companies manage human resources in order to increase job satisfaction, increase Czech communication skills and create a more harmonious global company culture?

The Private Sector needs to consider the following facts.

First, KLM and KE should try to build on their Czech communication skills and learn about Czech culture. Also, if CLM increase their level of Korean communication skills, their job satisfaction too should increase. Therefore, Korean companies should provide Czech language courses for Korean managers and Korean language courses for Czech managers. Second, Korean companies should consider changing their organization chart. Korean companies should reduce the number of KE in the long term and promote local managers to the high positions instead so that satisfaction relating to promotions can be increased for KLM. Third, Korean companies should improve the labour conditions of KLM. KLM are likely to consider receiving lower wages and less staff benefits than KE even though they are dealing with the similar tasks. Fourth, KE should focus on increasing the relations with KLM. Even though KE and KLM speak the same language and can understand each other fully, relations between KE and KLM are the lowest amongst staff. Fifth, Korean companies should give opportunities to KLM and CLM to work in HQ in Korea so that local employees can better understand the culture of HQ.

It is also necessary to consolidate the public diplomacy policy for harmonious global company culture. The public sector should open a Korean Culture Center in the Czech Republic to spread the awareness on the Korean culture even more extensively. The public sector should promote Korean popular culture, for example by broadcasting Korean movies or soap operas on Czech TV and make events like K-pop contests, sports days, or Korean speech contests often so that Korean and Czech can enjoy together.

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