



Review

Management, the Confucian Way

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Abstract

In this paper, the authors extract management lessons as seen from the perspective and the wisdom of Confucius. From Confucius comes the emphasis on positive management and harmonious relationships as well as the value of learning; and these bring many benefits including even good talent management. Here, it can be said that the article, spiced with Chinese sayings and proverbs, explains or discusses the practice of Confucius teachings which can, in fact, bring much peace, learning and growth for individuals and the organizations including the families, society, nation and the world.

Keywords: Confucian management, Talent management, loyalty, benevolent, integrity, trust.

INTRODUCTION

Few scholars, over the years, have linked Confucian ideas and values/ concepts let alone management perspectives to the Western management ways, and in this paper, the authors apply Confucian values, its practices and Confucian ways derived from The Analects to speak and examine management in the light of the ways of the Old Master.

One of China's most famous teacher, philosopher, and political theorist, Confucius lived in 551 - 479 BC. Few hundred years later, the great Han Dynasty emperor Wu (156 BC - 87 BC), rejected a hundred other philosophical schools in favor of Confucius, effectively making China a Confucian state (Yu Dan, 2010). In the Ming and Qing dynasties, Confucius' teachings were adopted as the core curriculum of the imperial examinations for leadership and management. Those scholars who passed the exams are qualified to be recruited into the government to serve the emperor (Ng and Seow, 2010). Confucius set the standards and values that permeate through the Chinese culture. Even to this day, Confucius' teachings remain the basis of, if not, bear strong influence on Chinese culture and various Chinese managerial practices. Various literatures and books written on key leadership and management values that

influence Overseas Chinese have been written by several researchers including de Bary et al (1960), Lien and Kraar (1994:57,110), Thin (1997:13) Owyang (1998:130), Sim (1950:4), (Loh and Lee (1998:14), (Long,1999:2) and Min Chen (1995:81) cited in Low and Ang 2011. Together with these works, several scholars have also shown that the Overseas Chinese leadership and management ways of running their businesses are very much influenced by Confucianism (Hussin, 1996; Low, 2009/2002; Ang and Low, 2012). It is the intention and purpose of this paper to view management from the Confucian spectrum and examine various management concepts with the Confucian lens.

What is Management?

Management in all business and organizational activities can be described as the act of getting people together to accomplish desired goals and objectives using available resources efficiently and effectively. Management is the act of supervision, or refers to skills of executive ability. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities) or effort for the purpose of accomplishing a goal (Witzel, 2003; Fayol, 1949; 1930; 1917 cited in University of London, 1994). Table 1 illustrates the Confucian way of management.

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Table 1. Management, the Confucius way.

Management	The Confucius Way
Planning	Ensure effective planning, prepare carefully such as strategic positioning; grow a dynamic and talented human capital; and ensure effective and efficient supply chain management in the selling one's products or services.
Organizing	<ul style="list-style-type: none"> - Attending to peace and harmony (和平, <i>hé píng</i>) with others in the organization - Being just or having moral courage (義, <i>yì</i>) - Practicing integrity (廉, <i>lián</i>) - Being aware/ careful of shamefulfulness (恥, <i>chǐ</i>)
Staffing	<ul style="list-style-type: none"> - Practicing loyalty (忠, <i>zhōng</i>)
Directing	<ul style="list-style-type: none"> - Being benevolent (仁愛, <i>rén ài</i>) - Practicing filial piety (孝, <i>xiào</i>) - Fostering the feeling of brother(sister)hood (悌, <i>tì</i>)
Controlling	<ul style="list-style-type: none"> - Growing trust (信, <i>xìn</i>), trust ensures smooth operations of the running of the business/organization, with little or no conflict. - Observing rites and social rituals (禮, <i>lǐ</i>) and ensuring its place in organization. Overall, they also help to ensure that the team members stayed energized while working as a team.

Planning

When managing a company, a manager needs to plan. Planning is required, for example, in terms of growing its talent workforce and increasing its market share in business. In growing its talent, the Company needs to secure and hire the right quality and quantity of talents and skills as well as motivating and retaining the talent pool (*Directing* component of management – see below) it has at hand. In growing the market share, a Company needs to plan various marketing and promotional strategies of products and services to compete in the present and future market (Low and Ang, 2011). For the back-to-basics planning process, when a manager has thus discussed and carried out with his or her departmental members in an orderly, open, cooperative manner, it helps the business much in terms of the business strategic planning. One can then say that planning is a generic function of management; it is really a basic, organic part of the day-to-day operation (Culligan, 1993:99-100).

In this connection, Confucius has these to say: “Good preparation secures success. Poor preparation leads to failure.” (Zhou, 2005: 184). “A craftsman must prepare his tools beforehand in order to do well.” (Zhou, 2005: 186). This means that to do well in one's business, one has to ensure effective planning, prepare carefully such as strategic positioning; grow a dynamic and talented human capital; and ensure effective and efficient supply chain management in the selling one's products or services.

Organizing

Most managers understand the importance of planning but a lack of good organizing themselves will keep them

away from the dynamic and extensive planning that would give them the competitive edge in the market place (Culligan, 1993: 37). Therefore, managers must organize; they have to attend and organize all forms of business that are to be led, controlled and developed (Karlof, and Lovingson, 2005: 5). Organizing is usually followed after planning and it involves the assignment of tasks, the grouping of tasks into departments and the assignment of authority and allocation of resources across the organization. Organizing becomes important particularly 1) when a new strategy is developed, 2) when market conditions are changing or new technology requires change and 3) when organization seeking efficiencies through improvements in organizing.

Duke *Ling* of *Qi* “齊京公” (*Hanyu Pinyin: qí jīng gōng*) asked Confucius how to govern and manage a country. Confucius said, “Rulers, subjects, fathers, and sons should observe their respective rites.” Duke *ling* said, “How true! If the ruler is not a ruler, the subject not a subject, the father not a father, the son not a son, even if there is sufficient grain, will I be able to obtain it?” (*Analects of Confucius* XII: 11). This then aptly means that when properly managed, managers, departmental heads, section heads and employees should accordingly work and fulfill their respective roles and responsibilities. They should truly not run away or shun their real work and/or avoid their roles and responsibilities. Yes, some may even camouflage themselves, declaring that they are working. If these happen, then the whole organization will be crippled, if not, not functioning properly and in proper order (indeed, they are really engaging in haphazard management, almost clowning around, having meetings and detailed procedures yet they exist in the good name of proper management with empty pledges, good publicity stunts but without concrete actions). In this respect, the Confucian Rectification of Names is necessary, becomes fitting and in fact, should be vitally

applied (Low, 2012). With regard to the human capital management, the positions, that is, the titles or appointments must match or fit with the qualities, skills and capabilities of the jobholders. Take for example, a leader/ manager, a departmental head or an immediate supervisor must really act or fulfil his or her role and responsibilities; he or she must indeed be accountable for what he or she says or does.

Zi Zhang once asked Confucius about good management. Confucius said, "Never slack off in your position and fulfill your responsibility loyally." (*Analects of Confucius* XII: 14). This would build respect and trust amongst the members of the organization. One can then extend this practice to all levels of the organizations so that the titles or appointments must again match or fit with the qualities, skills and capabilities of the jobholders. By doing so, organizations benefit from the practice of Confucian Rectification of Names, with goals set and targets being met; and at the same time, disciplined leaders would lead well and managers manage well. The organizational world within the company would then be in good working order. Failing to put the Confucian Rectification of Names into practice would only lead to much discussions, meetings and empty talks with no results.

When the Confucian Rectification of Names (organizational system) is embraced and practiced in the Company, then there exist a truly proper organization; and this brings to the organization the following attendant benefits and outcomes:

i Attending to Peace and Harmony (和平, *hé píng*) with Others in the Organization

Peace and harmony with others too is related to the concept and practice of respect (*li*) and brotherhood (*ti*). And with the practice of brotherhood, exchanges, spontaneous helping one another (on-going responsive relationship) and mutual respect, everyone in the team is happy with each other. According to Confucius, a good and responsible leader/manager can resolve social (organizational) conflict by concentrating on three kinds of favorable relationships through the practice of filial piety. Firstly, he or she searches for peace and harmony between the self and others by working on human nature, calling for cultivating one's virtues conscientiously. [For Confucius, "when virtue is practiced, one enjoys a clear conscience" (Low, 2008, pp. 33) and thus enjoying peace and harmony] Secondly, he or she seeks to harmonize family, relatives and friends/ colleagues relationships through cultivating the sense of mutual responsibilities among them. Thirdly, he or she looks for a way to diminish the possibility of violent conflict by establishing a humane organization in which virtues overwhelm selfish contention. By these three methods, a good leader/manager attempts to build up mechanisms that sustain and maintain a comprehensive organizational

structure in which no or little conflict goes unnoticed and no opposition is allowed to exceed certain limits. Here, team leadership and management, being applied in this way, will be at its best or at least functioning; peace and harmony also prevail.

Needless to say, a good manager, operating on a Confucian Rectification of Names' template, would supply a peaceful and harmonious environment or platform for his or her staff to work efficiently and effectively. How can a good manager provide a good organization with a good setting for his or her staff to work in? Confucius proposed that the principle of reciprocity (or the way of the measuring square) in which anyone within that setting can use him or herself as the measuring square of how each should treat each other, thus regulating everyone's behavior constantly, if not often. For example, what one dislikes the treatment of those one receives from one's superiors, one should not display the same treatment to one's employees (Low, 2008; *Analects of Confucius*, XV: 24; Lin, 1994: 186), and this applies as well to our peers, our friends and our neighbors. In this way, people within the organization would be working cooperatively and collaboratively in a peaceful and harmonious setting (Low and Ang, 2012; 2011).

ii Being Just or Having Moral Courage (義, *yì*)

The Rectification of Names means that when a person holding a certain position must take certain action(s) and if he or she has to do it, then he or she just does it! This then presupposes that he or she does so with courage and with justice in mind. (Some people may simply not do anything, merely wanting to please their superiors by saying "Yes Sir, Yes Sir" and worse still, agreeing with their superiors without even any form of courage or thoughts of doing justice to others. They may even not voice out any opinions or stand up for others, let alone for themselves – and deplorably, at times, non-thinking.)

Courage is certainly needed to take action, more so when one has doubts or fears about the consequences. On the topic of moral courage, Zi Lu asked Confucius, "Does a gentleman regard bravery as a virtue?" Confucius said, "A gentleman regards morality as the supreme virtue. Possessed with bravery but devoid of morality, a gentleman will stage a revolt while a petty man will become a bandit." (*Analects of Confucius*, XVII: 23). Moral courage therefore involves deliberation or careful thought (Walton, 1986). Interestingly, Mencius said, "A *jūnzǐ* 君子 (Gentleman/ lady) with lofty (noble, important and admirable) ideals would not hesitate to have his dead body abandoned in the wilderness and a *jūnzǐ* 君子 with moral courage would not spare his life to do what is right 孟子曰: "志士不忘在沟壑, 勇士不忘喪其元" (*Hanyu Pinyin: Mèng Zǐ yuē: "zhì shì bù wàng zài gōu hè, yǒng shì bù wàng sāng qí yuán"*; Zi, 2009:195). In essence, a *jūnzǐ* is not materialistic and cares for the

goodness of others and the community rather than him(her)self. Moral courage is basically the courage that enables one to take action for moral purposes or reasons even though there are risks of adverse consequences (Vesilind, 2006: 55), and that, to the authors, is admirable.

Confucius said, "Compared to a bad man, a coward who pretends to be brave is like a thief who gets in through a hole in the wall or climbs over walls" (*Analects of Confucius*, XVII: 12). In this respect, reflex action or dogmatic fanaticism do not involve moral courage because such impulsive actions are not based upon moral reasoning (Walton, 1986). These just become mere routines or rituals. Moral courage may also require physical courage when the consequences are punishment or other bodily peril (Putman, 2004).

Humanism must always exist (Fung, 1948; Lau, 1979; Low, 2011) with prevailing love and compassion (Low, 2008). When there is a feeling of brotherhood and moral courage among the people within organizations, these people would build trust and confidence; and they do not feel separated or alienated from each other; warmth and even love or compassion may prevail among them. On the topic of good leader/manager and moral courage; Mencius said, "Being a leader/manager, I am more interested in cultivating the great moral courage and (chi) spirit 孟子曰: "我善養吾浩然之氣" (*Hanyu Pinyin: Mèng Zǐ yuē: "wǒ shàn yǎng wú hào rán zhī qì"*; Zi, 2009:144). True, in managing people or talents, to motivate and retain them, they need to feel as part and parcel of the organisation with unity; they should feel part of the in-group and team spirit.

iii Practicing Integrity (廉, *lian*)

To speak of integrity, one factors in attributes such as professionalism, intellect and artistic capabilities. However, the most philosophically important sense of the term 'integrity' relates to general character. Here, philosophers have been particularly concerned to understand what it is for a person to exhibit integrity throughout his or her life (SEP, 2011). As such, one may judge that others 'have integrity' to the extent that they act according to the core values, key beliefs and principles they claim to hold. Integrity is a concept of consistency of actions, values, methods, measures, principles, expectations, and outcomes. In ethics, integrity is regarded as the honesty and truthfulness or accuracy of one's actions. Integrity can be regarded as the opposite of hypocrisy, in that it regards internal consistency as a virtue, and suggests that parties holding apparently conflicting values should account for the discrepancy or alter their beliefs.

Upholding one's integrity ensures that one does not get greedy or selfish in one's ways and behaviors. So a leader/manager has to bear in mind his or her proper role and responsibility (Low, 2012), and on fulfilling this role,

he or she would be setting the example or playing the role model for employees to emulate. It is thus critical that the leader/manager upholds his or her character and integrity. When such awareness is brought about in the minds of the leaders/ managers and employees alike, and because of these values held by all within the Company, the organization is strongly anchored in value consistency and it can, in most ways, be said to be protected against corporate fraud; a fraud prevention corporate culture may then even prevail. And when such a culture prevails, less energy and time is perhaps needed or spent on the auditing and controlling processes; and more energy can perhaps be diverted to business growth and sustainability.

iv Being Aware of Honor While Being Cautious of Humiliation and Shamefulness (恥, *chǐ*)

Being aware and careful of shamefulness (恥, *chǐ*), a manager will set good example for his or people to follow and emulate; staying upright with high integrity in their roles and responsibility; and their business dealings. Shamefulness, disgrace or dishonor can be taken as the loss of respect, honor, or esteem; ignominy. It describes a person, an act, or a thing that causes shame, reproach, or dishonor or is dishonorable or shameful. One can say that it is an instinct or human behavior that people share the aspiration of honor; in fact, people have something honorable themselves that they never notice and honor bestowed by others is not true honor (Zi, 2009: 191). Thus, Mencius said that people should be humble and self-aware of their shamefulness or dishonor; "People should not be without a sense of shame, not knowing shame is indeed shameless" "人不可以無恥, 無恥之恥, 無恥矣". (*Hanyu Pinyin: rén bù kě yǐ wú chǐ , wú chǐ zhī chǐ, wú chǐ yǐ.*) (Zi, 2009: 79). It is very common that in the Chinese community, when majority of individuals are tempted with money, status and power, they would form clique to do anything and sometimes even untoward things as long as they gain profits for their own interests and purposes; they have no Confucian Values; and this means they would be inclined to corrupt practices (Low, 2012b).

Confucius said, "A *jūnzǐ* 君子, (Gentleman/ lady) takes it as a disgrace to let his words outstrip his or her deeds" (*Analects of Confucius* XIV: 27). This means that it is better to take action immediately and complete one's task before one continuously assure the other that one would deliver on dateline but one cannot make it on that promising date. Shamefulness, in this respect, is that an individual should be self-aware of his or her capability or potential and should not make empty promises to others that (s)he could not fulfil later. Interestingly, Mencius also highlighted, "A *jūnzǐ* 君子, (Gentleman/Lady) is ashamed of his/her reputation surpassing his/her qualities or

capabilities.” “聲聞過情，君子恥之”。 (*Hanyu Pinyin: shēng wén guò qíng, jūnzǐ chǐ zhī*) (Zi, 2009: 119).

If an act is shameful (恥, *chǐ*), one should avoid that act, and even not to think about it. If an act should cause a dent on one's integrity, one should then avoid it. As such, before one embarks on a particular project, one has to think of the outcome(s) or results. If the latter leads to shamefulness then one would choose to avoid doing the project or venture. Immediately, here, we can see the familiar management concept of planning in action. “Dig the well before one thirsts” is a familiar Chinese proverb that the Confucian manager often subscribes. The Confucian manager always prepares or plans to avoid indulging in shameful actions that may jeopardize his or her department and organization.

Staffing

This topic is a broad scope of activities that includes hiring and recruiting. Hiring is the selection phase of staffing and recruiting is more specifically referring to the sourcing and advertising phases of the overall process of staffing. Hiring, in the simplest sense, is to attract outside sources while retaining the internal people. As Confucius said, if the nation (organization) is well-run, others from afar will hear of it and come and live there 子曰：“近者，遠者來。” (*Hanyu Pinyin: Hanyu Pinyin: jìn zhě shuō, yuǎn zhě lái* *Analects of Confucius XIII: 16*). Besides, the internal people would be contented to stay within the nation (organization).

In this connection, the Confucian concepts and values of loyalty (*zhōng*) and talent management ought to be practiced. By Incorporating with Confucian Rectification of Names, trust and brotherhood would be built among the employees and employer working together in a team; and this would encourage committed and loyal employees working for the organization (Low, 2012).

i Practicing Loyalty (忠, *zhōng*)

When employer and employees share the same vision and values in the organization, loyalty of the employees prevails. Loyalty is defined as faithfulness to commitments or obligations; faithful adherence to a sovereign, government or leader (<http://dictionary.reference.com/browse/loyalty>). Chinese are taught from a young age to be loyal to their family and kin. Hsu (1984) claims, loyalty to the family will continue to play a critical role among Chinese. In business, loyalty (忠, *zhōng*) means if one is loyal to one's business partners, for example, an employer being loyal to the employees or vice versa, then one's efforts can be positively channeled to doing good for the entire company. Internally too within the organization, there would be less strife, bickering and politicking.

The management applications here is that to human resources practitioners, loyalty is particularly useful as it helps the company to reduce the training costs as well as to lower the turnover of employees. Employee loyalty and retention also brings its plus points to the organization in terms of their growing maturity in their experience, contacts and business networking which can boost the company's business growth or expansion.

Leading or Directing

A process in which the managers instruct, guide and oversee the performance of the workers to achieve predetermined goals. Directing can be taken as the heart of management process. Planning, organizing and staffing have got no importance if direction function does not take place (Management Study Guide, 2012). Directing initiates action and it is from here actual work starts. Motivating and encouraging one's employees to work effectively and efficiently is very important and Therefore, directing is the function of guiding, inspiring, overseeing and instructing people towards accomplishment of organizational goals. Also directing encourages the subordinates to work effectively and efficiently. Directing would encompass these Confucian concepts and values:

i Being Benevolent (仁爱, *rén ài*)

Managers need to direct their employees with care and concern; benevolent management is practiced. Why is it so important that a manager should be benevolent? What are the benefits of being a benevolent manager?

A benevolent manager would be respected and liked by his/her subordinates for (s)he is personable, approachable and friendly to talk with. As (s)he is so kind and considerate to his/her staff, his/her staff would very much open up to him/her on any problems (big or small) they are facing with. A benevolent manager would help and resolve their problems in no time. This is beneficial for an organization for nothing would be swept away under the carpet and everything will be revealed and with immediate remedial action; the organization would be, in most ways, progressive and improvement can thus be made.

Next, how can one be a benevolent manager?

Confucius was asked by his student, *Zi Zhang* on the subject of benevolence. Confucius remarked, “If you have these five qualities, then you can be said to be benevolent.” *Zi Zhang* asked, “What are these five qualities?” Confucius explained, “Firstly, you should self-cultivate yourself and become a person of integrity and when people feel that you have enough gravity in your doings, then they will respect (恭) you; Secondly, you have to widen your capacity of tolerance (寬) in dealing with people for with tolerance, people will support you;

Thirdly, if you are always sincere in your doings and are a trustworthy person (信) you would win the trust of others; Fourthly, if you are committed and diligent (敏) in your work, this will pave the way to success and Finally, if you are generous to others, other would obliged to help you in return for your kindness. (*Analects of Confucius*, XVII: 6).

ii Practicing Filial Piety (孝, xiào)

There is a Chinese saying that goes, “百善孝为先” (*Hanyu Pinyin: bǎi shàn xiào wéi xiān*) meaning among all things, filial piety (孝, xiào; respect) is the utmost virtue. All the positive social relationships to attain peace and harmony in a society must start with the practice of filial piety or respect at home, perhaps similar to the English proverb “charity begins at home”. Hence, in attaining good leadership and management, one embraces and practices the value of filial piety to direct and guide people to achieve the shared visions and goals.

Meng Yizi, a minister of Lu state asked Confucius regarding the subject of filial piety, Confucius said, “Do not disobey the rites.” What Confucius meant is that, “When the parents are still alive, serve them according to the rites; and when they pass away, bury and then make sacrifices to them according to the rites.” (*Analects of Confucius* II: 5). Here, filial piety (*Xiao*) means the need to respect the elders and be grateful to one’s parents in their old age. In management terms, it is about be loyal to one’s superior by fulfilling one’s obligations. It is about fulfilling mutual contractual obligations, as much the employers care and provide for the employees, the employees need to work hard, be productive and ensure the growth of the business. It is good that each employee respects his or her superior(s) and faithfully carries out the superior’s instructions accordingly. The tasks or work then gets done with minimal distractions, disagreements and/or arguments; little time is also wasted in getting the results.

iii Fostering the Feeling of Brother(Sister)hood (悌, ti)

In Confucian philosophy, the value of brother(sister)hood can also refer to peer-ship and equality. To derive its meaning, one can gather this from the conversation between Confucius’ two disciples. *Sima Niu* said it sadly, “Everyone else has brothers but I have none”. *Zi Xia* consoled him by saying, “There is an ancient saying which goes, ‘Life and death are decided by one’s destiny; wealth and rank are determined by Heaven. A *jūnzǐ* only has to act earnestly, does nothing wrong and be respectful and polite; and all men under Heaven would be his brothers. Why should there be a need for you to worry

about no brothers?” (*Analects of Confucius*, XII: 5). This relates to the fact that if one is kind and respectful to people, then one is not alone when one is in need of help; this kind of friendly attitude and behavior towards people is indeed good for team building. Brothers and sisters need to respect each other and there is thus little trouble of friction. So also within the company, employees as peers should respect each other and work together; if this is so then teamwork and spirit is fostered. Working in team settings often gets one motivated. This is because one becomes an important person holding a position that share the mutual responsibility and accountability of the team’s success; and here, team development, training and learning also take place (Woods, 1997).

Controlling

“Leading by example gives the manager unquestionable authority”; “managers should lead by example for their followers to emulate”; (s)he should take action and lead us” “if a manager can shows us his or her good example, we will definitely follow him or her” and “Effective management must have managers who lead by examples” (several interviewees’ inputs. Here, it is very clear that example setting of a leader/ manager serves as a good control and the way of leading (Low et al, 2012). This is to attain certain result or desired outcome. Controlling is a foreseeing action and helps to check the errors and to take the corrective action so that deviation from standards are minimized and stated goals of the organization are achieved in desired manner. Control in management means setting standards, measuring actual performance and taking corrective action. Thus, control comprises these three main activities.

In Confucian ways, good direction brings good control and there is trust within the team with good camaraderie feeling among the team members. Rituals and ceremonies including standard practices, effective work instructions and procedures can be employed to control; harmonize and monitor workforce behavior and performance to enable them work as teams. Rituals and ceremonies may also be linked to company events such as the release of a new event. Dealing with events systematically sends strong signals to employees about what is important and expected of them, and employees learn (Low, 2012a).

Leaders and managers must know or learn how to frame events or rituals to their advantage. Framing, according to Robbins and Judge (2007: 380, *italics author’s*), is “a way to use language to manage meaning. It’s a way for leaders to influence how events (*rituals and ceremonies*) are seen and understood. It involves the selection and highlighting of one or more aspects of a subject while excluding others”.

i Growing Trust (信, *xin*)

Zi Xia, a Confucian disciple said, “The gentleman must gain the trust of the common people before he gives orders to them. Otherwise, they will feel abused. The gentleman must gain the trust of the ruler before he remonstrates with him. Otherwise, the ruler will feel slandered” (*Analects of Confucius*, XIX: 10). Very truly, in managing people, it is important to gain the trust of the followers/subordinates when one gives orders to them (Low et al, 2012). When a junior or employee is entrusted by a senior officer or a superior to do a task, (s)he is to carry it out well. The same too goes for the superior; the superior, in return, is obligated to take care of the junior’s welfare and overall well-being. However, when Confucius observed one of his students, *Zai Yu* always slept in the daytime. He said resentfully, “One cannot expect to carve on a piece of rotten wood, nor can one expect to whitewash a filthy wall.” As for *Zai Yu* what is the used of scolding him?” Confucius added, “I used to trust what people said but now I want to see what they do before I trust them. It is from *Zai Yu* that I learnt to change my attitude in dealings with people.” (*Analects of Confucius* V: 10) Therefore, in talent management, the superior should be very careful in identifying his candidates in order to train them to perform well in the coming future. Trust must exist so that each can perform their duties smoothly without much interference of micro-management. And in a sense, some level of empowerment prevails. And this is good and motivating for the employees. Theoretically, this also forms the basis of a learning organization where the employees, working independently, learn and make career progress. The organization also benefits through retention its skilled pool or human capital.

Next, rituals are needed to be in place to ensure “systems” and good ways of doing things; hence rituals provide the cultural context and the reasons for ‘the way we do things’.

ii Observing Rites and Social Rituals (禮, *li*) and Ensuring Its Place in Organization

Confucius said, “If a state is governed by showing deference, what difficulty will there be in performing the rites? If a state is not governed by showing deference, how can the rites be performed?” (*Analects of Confucius* IV: 13) What Confucius meant is that if one has a polite and respectful attitude towards each other especially to the one holding an important position, there should not be any difficulty in performing rites.

Therefore the concepts of rituals, procedures or organizational structures should have their places in management in terms of ensuring order and stability within the organization or nation. In a country, the elec-

tion ritual is a necessary process to ensure peace, justice and change of government and leaders as well as the exercise of power by the people or masses in an orderly fashion and at regular intervals.

A good understanding of the Confucian concept of rituals or *Li* would lead one to empathetically link or connect the former term to the core value(s) held by the Confucian manager. The Confucian ritual of mourning and filial piety (*Xiao*) enables one to understand the Confucian concept of filial piety and the Rectification of Names – a father be a father, a mother be a mother, a son be a son and so on. Each has a role to play, each is also involved in doing a focused goals and role, and when these roles are fulfilled and played well, better human relationships ensue, and peace and harmony exists.

Why Confucian Management Differs from Western Management?

From the above review, the authors uncover these lessons which show the key differences between Confucian/Chinese management and the Western management.

i Quantum Jumps versus Continuous Improvements

Western management promotes individualism (Chen, 2001 and Kahal, 2001 cited in AW, 2012) and focus on short-term contract obligation and due diligence (Clarke, 1998 cited in AW, 2012). “Western management is always looking for ready-made skills, talents and professionalism and expecting quick results” (several interviewees’ inputs). The Western management ways stress on the great-leap, quantum or big jump approaches. These leaps or jumps in operation basically come from innovations. Innovation takes knowledge and specialization. One can see that many western firms have “Research and Development” Departments and they focus on big leaps or giant steps by normally embracing cutting-edge technology or superior technological techniques.

On the other hand, Confucian management focuses on systematic or orderly operational improvements, bit by bit. Operations improvements tend to be small steps, each step gradually build on earlier small-step improvements. There may be very few “jumps” but it is often a continuous process in improvements. Most of these small-improvement ideas come from long-term employees. Very few companies have “R&D” (Research and Development). This is basically due to the Confucian emphasis on the value of learning and continuous improvement.

ii Emphasis on Scientists and Technical Expertise versus People or Human Capital

Because of the emphasis on quantum leap, the Western corporation management recruits and hires technical expertise to give them the superior technical improvements and advantage. However, most corporations expect to hire ready available talents in the market and do not invest on developing talents. As a result, talents, at most times, are mishandled, misused or become misfits, and consequently de-motivated or demoralized, they leave the company (Low, 2011).

On the other hand, the Confucian management ways stress on building the talent of the workforce as a whole; it is more massive in orientation. In this respect, Confucian leaders and managers consider talent or human capital as the primary driver of any successful company; and it is their beliefs or even values that better talents will definitely account for higher performance for the Company; and hence, talent management is critical when it comes to business excellence and success. Even though talented people are crucial to society (organization), even more important is selector or the person who knows how to find talented people.

iii Hiring and Firing versus Loyalty (*zhōng*) and Caring

"We would like to work for organizations that can develop our skills and talents and also care for our well beings; we would not like to work for organizations that have great turnover of human capital or frequent hiring and firing their employees" (several interviewees' inputs). Indeed, business executives trying to fill senior-level positions usually carry on the unhappy traditions of hiring talents through routine ways such as using interviews, reference checks, and sometimes even personality tests. Here, they attempt to infuse logic and predictability into hiring; still, success remains elusive. Several recent surveys conducted by both business academics and independent consulting firms have found that between 30 percent and 50 percent of all executive-level appointments end in firing or resignation. If hiring has always been a daunting task, today's economy makes it even more so. The global scope of business has increased the demand for talented senior executives in the corporate ranks (Fernández-Aráoz, 1999). This again shows that the business corporations are looking for and hiring talented people aggressively instead of focusing on talent development/talent management. In talent management, managers should hire talents suitable for the company. It means that they should also bring in promising employees into the right positions. Therefore, it is not about just getting people or human capital, but rather it is all about getting the right people. Managers should be aware that talent should be chosen not to fire-fight or to solve problems but rather they are to find, spot

and capitalize on opportunities and lead the company to further growth and newer heights of progress. This means the company needs to care for their loyal employees. Furthermore, the company should recognize that people, talents included, are different; and indeed that differentiation should not be suppressed or neglected. That differentiation should accordingly be recognized and nurtured to give added advantage(s) and growth to the company. Besides, managers should create a good feeling atmosphere for the talent working within the company. Top loyal employees stay where they feel at home. The managers should trust the diversity of their workforce and bring out the best out of the individuals by stretching them to be better each day and allow them to learn and improve themselves (Low, 2010; 2011; 2013).

CONCLUSION

Zi Lu, a student asked Confucius about managing a state. Confucius said, "Urge the common people to work hard by setting an example yourself." *Zi Lu* requested for more advice. Confucius said, "Do not slack on your duties." (*Analects of Confucius* XIII: 1). Indeed, one can say that, in general, management is about planning, organizing, staffing, leading or directing, and controlling an organization; and managers must work hard in supervising and getting people together to accomplish desired goals and objectives using available resources efficiently and effectively.

Overall, managers should not slack on their work and/or their duties; not doing anything, being passive or even putting on a pretense that they are working, especially those working in the civil bureaucracies. All the more the latter is beholden and accountable to the people, and they have to fulfill and effectuate the value of "ren". Confucius' teachings further emphasized individual moral cultivation such as fulfilling one's responsibility loyally which can then influence and transform others, so that ultimately, organizational success, social harmony and political order can be realized. In this respect, individuals who embrace and practice Confucian management would attain team spirit, harmony; trustworthiness and transparency in their daily business activities and dealings.

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