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ICTS AND ORGANIZATIONAL CONTROL ACROSS CULTURES

The Case of a UK Multinational Operating in China

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Abstract: This chapter examines issues on ICT-related coordination and control between the head offices of a UK manufacturing multinational in England and Hong Kong, and one of its joint ventures in Mainland China. Giddens' theory of modernity and an anthropological view of culture are used to analyze and interpret the case. As an expert system, in Giddens' terms, partly leading to globalization (Giddens, 1990; 1991), ICTs facilitate the disembedding of information and communication transfer in different time-space domains without the limitation of place and therefore enable the head office to control its worldwide operations at a distance. However, this is not simply the 'death of distance' (Cairncross, 2001). ICT-enabled coordination is only effective when linked with other mechanisms such as expatriates and face-to-face contacts. Furthermore, the chapter shows that national culture characteristics appear to be more dynamic and less homogenous than the existing literature suggests. ICTs act as an arena where organizational culture change is often expressed.

Keywords: ICTs, MNEs, Disembed, Reembed, Expatriates, Face-to-face contacts, Culture.

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Wei Liu is a third-year PhD student at the School of Accounting and Finance of the University of Manchester. He was born in China. His PhD research project looks at how the head offices of three UK multinational corporations employ ICTs and other mechanisms to control and coordinate their subsidiaries and joint ventures in China. Giddens' theory of modernity in particular is used to explore the process of globalization in the three cases. Wei has finished his extensive fieldwork at thirteen research sites in the UK and China and is at the stage of writing up his PhD thesis. He can be reached by e-mail in msryjwl2@stud.man.ac.uk

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