

# CONFUCIUS REVISITED: AN ANALYSIS OF THE DINGZHOU ANALECTS FOR MANAGERIAL APPLICATION AND UNDERSTANDING IN CHINA AND BEYOND

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## ABSTRACT

*Confucian principles have provided a foundation for much of Chinese culture, including managerial practice. The "Saying of Confucius" or the "Analects" gave the Chinese a behavioural framework and a set of values that has endured for thousands of years. Much of managerial practice in China can be traced to the Confucian tradition. With the recent discovery and translation of the oldest edition of the Analects, the Dingzhou manuscript, a better understanding of Confucianism can be achieved. This paper first explains the basic aspects of Confucian thought and then examines the new manuscript. It is suggested that the Dingzhou Analects have much relevance for modern day management, especially in the areas of leadership, human resource development, and ethical orientation.*

## INTRODUCTION

Chinese culture has had many influences including the early Sage Kings, the mystic Lao Tzu and his spiritual orientation Daoism, the military strategist Sun Tzu, the Legalists, and more recently the Communist revolution and its leader Mao Zedong. However, one could reasonably argue that there has been no greater influence on Chinese culture than Confucius. Born 500 years before Christ, the great philosopher and teacher, Confucius, established the cultural foundation of China. He is generally referred to as *China's first teacher* and he attracted a large student following during his life. Confucius' advice was given in oral form to his students, however, shortly after the teacher had died, his students began writing the messages he had given them, and these writings became the *Analects*, or the *Sayings*

of *Confucius* (Ames & Rosemont, 1998). Much of Chinese culture and management practice can be traced to Confucius and his value system. This is a system that emphasised the importance of hard work, loyalty, dedication, learning, harmony, propriety, virtue, and social order. For thousands of years, up until the fall of the imperial system in China in the early 1900s, Chinese school children would raise their hands in respect to Confucius at the start of the school day. The children would recite the saying of Confucius until they were permanently recorded into memory. With the fall of the imperial system of governance in China, Confucian teachings were eliminated; however, the ideals espoused by Confucius never left the Chinese people (Xing, 2005; Lin & Chi, 2007). As noted by Keller and Kronstedt (2005), the Chinese Values Survey of Michael Bond revealed the top nine Chinese values to be directly linked to Confucian philosophy. After various attempts to eliminate Confucian thinking from society by different Chinese regimes, *the way of the Sage* remains firmly rooted in Chinese culture. As stated by Spence (2005), "despite its incredible pace of change, China continues to carry echoes of its past". More so than most cultures, the Chinese cling to their long past and are still greatly influenced by important historical figures and philosophies, none greater than Confucius.

China's recent and impressive economic gains have captured the attention of the world. With the world's fastest growing economy and largest population, China has *arrived* on the world stage and is making itself felt in the global economy. With China's economic growth comes an increased need to better understand the strategic and managerial thinking of the Chinese. The last few years have seen an increased interest in understanding the business and managerial practices of the Chinese (Quer, Claver, & Rienda, 2007). One way to develop a better understanding of Chinese culture and the managerial practices of its people is to look into the major driving forces of that culture's behaviour and values. One of the major driving forces, and it is argued in this paper, the major driving force, is the Confucian tradition of China. While Confucianism continued to influence cultural values and practices, even during the Mao era, it has recently been given an elevated status once again. Recently Confucianism has been reintroduced into the Chinese educational system (McGregor, 2007; Mooney, 2007; Osnos, 2007) and a number of Confucian institutes was established. Confucian doctrine is once again gaining strength in China. A recent best-seller in China is a book by Yu Dan, a professor of culture and media at Beijing Normal University, which explains Confucian teaching in basic terms (McGregor, 2007). The Chinese have for thousands of years been aware of, and influenced by, Confucian doctrine, although through a more informal process.

The primary influences of Confucius on Chinese society can be seen in the Five Relationships, the Five Virtues, and the Confucian Work Ethic. The Five Relationships dictate appropriate behaviour and roles for organisational members; the Five Virtues provide a moral framework for society and stress the importance of harmony; and the Confucian Work Ethic stresses the importance of hard work, loyalty and dedication, frugality, and a love of learning.

### **The Five Relationships**

Confucius proposed a strong social hierarchy based upon position. The hierarchy would be maintained through a benevolent leader who acted in the best interests of his subjects. This relationship is referred to as king-subject. This relationship between king and subject has a feudal orientation; however, the relationship in modern times has shifted from loyalty to one's ruler, to loyalty to one's organisation. Rank and hierarchy are important aspects of Chinese organisations. In a typical Chinese organisation, decisions are made by the leaders at the top of the organisation and everyone is expected to carry out the directives without question. Employees are expected to be loyal and devoted to their organisation and in return, the organisation is expected to take care of them. In addition, Confucius felt that a special relationship existed between a father and his son. The father should guide the son, and the son should show deference and yield to his father's advice. Just as a father would counsel, teach, and provide direction to a son, the Chinese manager is expected to do the same with employees. This relationship is, not surprisingly, referred to as father-son. Confucius also dictated a passive role for women. The role of women in ancient China was a domestic and submissive one, and even today inequality exists between the sexes. While greater equality was achieved under communism, Chinese culture still places a greater emphasis and importance on males. Perceptual differences still exist in China concerning the role of women in management (Bowen, Wu, Hwang, & Scherer, 2007). This relationship is referred to as husband-wife. Confucius also maintained that the young should pay respect to their seniors. Age respect is still an important aspect of Chinese culture, and age is also important in determining upward mobility in these organisations. Senior managers are seen as important figureheads, representing age, wisdom, and concern for all organisational members. This relationship is referred to as obedience to elders. And lastly, Confucius dictated roles to be played among equals. Friends and workmates have a duty to each other, and that duty produces harmony. Equals are expected to work together for

the benefit of the group. It is inappropriate to single out one member of the group for praise over others. Such behaviour is disruptive to group harmony. This relationship is referred to as mutual trust among friends.

### The Five Virtues

In addition to maintaining harmony through the relationships, Confucianism promotes five virtues: *ren*, or benevolence; *yi*, or righteousness; *li*, or propriety; *zhi*, or wisdom; and *xin*, or trustworthiness. Confucian managers are expected to be caring, be moral, maintain their dignity, have wisdom, and be true to their word. The *gentleman* of Confucius was expected to live up to a higher standard. While the gentleman could be an ordinary citizen, Confucius was preaching mainly to government officials. The advice now applies to business leaders as well. Under the doctrine of *ren*, the Confucian manager is expected to be a good-natured manager and to manage with kindness. The manager is expected to focus on relationship building and to be more cordial. Chinese managers have traditionally valued dedication, trustworthiness, and loyalty more than performance. An important aspect of Confucian thought concerns an ethical orientation. *Yi*, or righteousness means that the manager is expected to uphold the highest standards of moral conduct. Appropriate behaviour, or *li*, is dictated through Confucian thought in terms of relationships (The Five Relationships) and social propriety. The Confucian term *li* actually refers to ritual. Rituals as manifested not only in terms of appropriate behaviour and roles, but also for ceremonies and other social processes. For the Chinese, the acquisition of wisdom, *zhi*, has always been held in high esteem. Wisdom and age are closely associated in Chinese culture, and it is not surprising to find great deference paid to older members of society. Today, there does appear to be a *generation gap* developing between junior and senior levels of managers in China (Tang & Ward, 2003), and entrepreneurial companies in China may not completely maintain this degree of respect for age over abilities. Nevertheless, wisdom, either through age or education, is still highly regarded in Chinese organisations. Finally, Confucian managers are expected to possess *xin*, or trustworthiness. In addition to being a trustworthy person, the manager is expected to be true to the mission of the organisation. In China we find a strong orientation toward building and maintaining trust. Trust begins with the leader and is facilitated by maintaining a harmonious organisation, even to the extent that employees become indoctrinated in the *party or company line*. Personal traits such as trust can be seen as more important than abilities or performance.

## The Confucian Work Ethic

The Confucian Work Ethic consists of a belief in the value of hard work, loyalty to the organisation, thrift, dedication, social harmony, a love of education and wisdom, and a concern for social propriety. Confucius recognised that in order to build a nation, certain sacrifices would have to be made by the individual. Personal sacrifice in order to advance the interests of the nation is found in all Confucian societies, including China. Confucius de-emphasised the importance of paying respect to the spirits and, not unlike the Protestant Work Ethic (Weber, 1905), preached the importance of achievement in this life and not necessarily achievement in terms of material gain, however. The difference between the Confucian and Protestant work ethics is mainly in the focus on individual or group achievement. Whereas the Protestant Work Ethic looked at the individual as the appropriate unit of analysis, the Confucian Work Ethic placed a value on group achievement and social harmony. Achievement is more group-focused in Confucian societies and economic failure is seen as having more wide spread societal consequences. The Confucian Work Ethic maintains a social interconnection that it not commonly found in Western cultures.

### THE DINGZHOU MANUSCRIPT

In the city of Dingzhou, a Han dynasty tomb was discovered which contained the remains of King Huai who died in 55 BCE. In this tomb was a copy of the *Analects*, and this copy is the earliest known version of the manuscript. While the manuscript was found and sent to the Ministry of Culture in 1974, a very long process of restoration and interpretation took place, and only in the last decade has the manuscript been made available for study (Ames & Rosemont, 1998). This early version of the *Analects* contains some material that is different from the more commonly studied version, and provides perhaps a more accurate description of the teachings of Confucius. The manuscript is more disjointed and more difficult to read, leading one to conclude that the later versions may have been modernised by other authors/editors. The Dingzhou manuscript also contains a lot of material on everyday events, and some insight into the life of Confucius himself. For example, in the manuscript we find “when relaxing at home, the Master remained dignified, and was good-mannered and agreeable” (Ames & Rosemont, 1998, p. 111.) Also, the manuscript provides more insight into the aspirations and disappointments of Confucius. While Confucius was a highly respected teacher, he sought

a government position in which he could apply his principles. In the manuscript we find "the Master said: *If someone were to make of me in governing, in the course of one year I could make a difference, and in three years I would really have something to show for it*" (Ames & Rosemont, 1998, p. 164). The more recent versions of the *Analects* appear to be an altered version of the original work. There is some debate concerning how quickly after the death of Confucius the *Analects* were written. While most scholars of ancient China believed the book was written by first or second generation students of Confucius, others proposed an evolutionary nature, meaning that the present day *Analects* were written much later and had many contributors (Brooks & Taeko, 1998). The discovery of the early manuscript at Dingzhou reduces some of the uncertainty, and provides a manuscript that comes as close as we currently have to the original ideas of Confucius. The Dingzhou manuscript provides very early advice on matters such as leadership, human development and participative management, and an ethical orientation.

### CONFUCIUS ON LEADERSHIP

One area in which one finds frequent mention in the Dingzhou *Analects* is the subject of leadership. Confucius felt that leadership was essential to the maintenance of a society. His advice was directed to kings and governors, not business managers; however, the advice is equally relevant to both groups, and surprisingly consistent with modern leadership theory. In some cases, Confucius recommended a more passive or Daoist approach to leadership; the Master said: "If anyone could be said to have effected proper order while remaining nonassertive, surely it was Shun. What did he do? He simply assumed an air of deference and faced due south" (Ames & Rosemont 1998, p. 185). Confucius is referring to one of the Sage Kings who he greatly admired. At other times, Confucius suggested a more active role for the leader; the Master said: "lead the people with administrative injunctions and keep them orderly with penal law and they will avoid punishment but will be without a sense of shame. Lead them with excellence and keep them orderly through observing ritual properly and they will develop a sense of shame, and moreover, will order themselves" (Ames & Rosemont, 1998, p. 76). The advice Confucius gave concerning leadership still tends to be of a more passive nature. The focus is on being a good role model and seeking to develop the followers into better people themselves.

Confucius felt that leaders had to uphold the highest standards in themselves if they wanted others to follow. When asked about

effective governing he stated: *"governing effectively is doing what is proper. If you, sir, lead by doing what is proper, who would dare do otherwise"* (Ames & Rosemont, 1998, p.157). For Confucius, leadership was more about personal development and character than methods of giving commands. Much can be found in the Dingzhou *Analects* concerning the personal characteristics and appropriate behaviour of the leader. The manuscript makes mention often of virtues and traits needed to be a good leader. The leadership theory of Confucius always begins with the leader himself; the Master Said: *"Exemplary persons make demands on themselves, while petty persons make demands on others"* (Ames & Rosemont, 1998, p. 189). When Confucius was asked how to get respect and cooperation from others he replied, *"oversee them with dignity and the people will be respectful; be filial to your elders and kind to your juniors, and the people will do their utmost for you; raise up those who adept and instruct those who are not and the people will be eager"* (Ames & Rosemont, 1998, p. 80). According to Confucius, *"authoritative persons establish others in seeking to establish themselves and promote others in seeking to get there themselves"* (Ames & Rosemont, 1998, p. 110). The word authoritative person is meant in a positive sense, referring to a person who leads with *ren*. The theory has a strong transformational and interpersonal component. The aspect of development is especially strong in Confucius' advice to leaders; the Master said: *"the exemplary person helps to bring out the best in others, but does not help to bring out the worst"* (Ames & Rosemont, 1998, p. 157). Interpersonal relations formed a large part of the advice of Confucius. Having lived during a turbulent time in Chinese history, is not surprising that Confucius would place importance on establishing good interpersonal relationships. This can be seen the interpersonal focus today in Chinese managers. In a study examining CEO leadership behaviour in China, Tsui, Wang, Xin, Zhang, (2004) discovered that Chinese business leaders display similar leadership patterns with Western executives, however, the people-related aspects of leadership have a strong cultural anchor.

## CONFUCIUS ON HUMAN RESOURCE DEVELOPMENT

Closely related to his theories on leadership, Confucius also strongly promoted the training and development of people. As with his advice on leadership, Confucius advice on human resource development and love of learning has modern applications. Chen (2005) had suggested that the importance of learning can be found in the *Analects* as well as in other Chinese classics, and the advice is quite applicable to modern training and development. It is primarily, however, from Confucius



that we find the importance placed on educational attainment in China and other Confucian cultures.

A very strong focus of Confucian thinking is a love of learning. In the Dingzhou *Analects* we find: the Master said, *"there are, in a town of ten thousand households, bound to be people who are better than I in doing their utmost and in making good on their word, but there will be no one who can compare with me in the love of learning"* (Ames & Rosemont, 1998, p. 102). In ancient China, the social hierarchy places the scholar above all others, with of course the exception of the emperor. A great deal of importance was placed on learning. Learning not necessarily for its utility, but for the development of the person. Confucius did, however, place some importance on application of what one learns. In fact, in the Dingzhou *Analects*, the very first quote from Confucius addresses this point; the Master said: *"having studied, to then repeatedly apply what you have learned – is this not a source of pleasure?"* (Ames & Rosemont, 1998, p. 71). The process of human development begins with the selection of individuals that have the potential and desire to develop. Confucius did not support the idea that all humans had great potential. In referring to one of his less motivated students, Confucius remarked, *"you cannot carve rotten wood, and cannot trowel over a wall of manure"* (Ames & Rosemont, 1998, p. 97). It appears that unlike Lao Tzu, Confucius did not believe in the inherent goodness of all of humankind.

Related to the love of learning is the development of the abilities of others. Confucius was an early advocate of training and development; the Master said, *"to go into battle with people who have not been properly trained is to forsake them"* (Ames & Rosemont, 1998, p. 170). Likewise, we find in the Dingzhou *Analects*, *"tradesmen wanting to be good at their trade must first sharpen their tools"* (Ames & Rosemont, 1998, p. 186). Confucius advocated the development of the capable and motivated, and believed that these individuals could become themselves a source of wisdom. Although hierarchy plays an important part in Confucian thought, Confucius himself was an early advocate of participatory management. When asked why one particular person was given the title of *refined*, Confucius responded, *"he was diligent and fond of learning, and he was not ashamed to ask those of a lower status – this is why he is called refined"* (Ames & Rosemont, 1998, p.p. 98-99.) Likewise, Confucius said; *"an exemplary person defers on matters he does not understand"* (Ames & Rosemont, 1998, p. 162). Confucius advocated the assignment of responsibility based on abilities; the Master said: *"exemplary persons cannot be given trivial assignments but can be relied upon for important responsibilities. Petty persons, then, are*



*the opposite*" (Ames & Rosemont, 1998, p. 181). While emphasizing a love of learning, Confucius also realised the value of task assignment based on abilities.

## CONFUCIUS ON ETHICAL BEHAVIOUR

It is often mentioned that the major contribution Confucius made to Chinese culture was in the area of ethical orientation. Confucianism is generally not regarded as a religion, but rather a philosophy which places a strong emphasis on ethical behaviour. In a reading of the Dingzhou *Analects*, there is frequent mention of ethical issues, however, it is not the main focus of the manuscript. Bettingies and Tan (2007) had suggested that the great philosophers of China, especially Confucius, have had a profound impact on the ethical orientation of the Chinese, and that their ideas could form a basis for further ethical training as the Chinese experience an economic transformation. While this paper does not challenge that proposition, a view of the *Analects* as a book of ethics would be an incomplete description of the manuscript. Many other issues are addressed. However, Confucius does provide guidance on ethical matters and matters of character.

Confucius was especially clear on the value of material gain over ethical behaviour and character, the Master said: *"the exemplary persons cherish their excellence; petty persons cherish their land. Exemplary persons cherish fairness; petty persons cherish the thought of gain"* (Ames & Rosemont, 1998, p. 91). Confucius placed a much stronger value on ethical behaviour and character development than on wealth accumulation; the Master said: *"a person of character is this Yan Hui! He has a bamboo bowl of rice to eat, a gourd of water to drink, and a dirty hovel to live. Other people would not be able to endure his hardships, yet for Hui it has no effect on his enjoyment. A person of character is Hui!"* (Ames & Rosemont, 1998, p. 106). Yan Hui was the favourite student of Confucius. He was poor; however, he displayed the character of a gentleman and was given high status based on his principles.

According to Confucius, a person of character does not give in to temptation, and does not change one's position to please others. As Confucius said in referring to the proper role of governing, *"the excellence of the exemplary person is in the wind, while that of the petty person is in the grass. As the wind blows, the grass is sure to bend"* (Ames & Rosemont, 1998, p. 158). For Confucius, staying on the right path, or the *dao*, was more important than engaging in behaviour that makes one popular. When asked about a person who is loved by everyone

in his village, Confucius replied: "*it is not enough. It would be better that the best villagers love, and the worse villages despise, this person*" (Ames & Rosemont, 1998, p. 169). Confucius dictated a rigid code of ethical behaviour and felt that adhering to that code was a necessary requirement for excellence in personhood.

## CONCLUSION

In addition to leadership, human development, and ethics, Confucius spoke of many other things in the Dingzhou *Analects*. He also expressed interest in maintaining harmony and cooperation among people. The Chinese general who authored *The Art of War* in the fourth century B.C. had little in common with Confucius. While Confucius spoke of cooperation and harmony among people, Sun Tzu spoke of warfare. The two great thinkers did agree, however, on the importance of the qualitative aspects of organisation. An emotional bond among members can act as the glue that holds the group together. Confucius also advocated the importance of a more long-term perspective. It is interesting to note that the Mandarin language does not have tenses to express past and future. The expression of tenses is reflected in the context of the message (Keller & Kronstedt, 2005). Time is viewed differently in a Confucian society. Unlike in the West, there is no linear view of time. Time tends to be viewed in a more circular and long-term fashion. When Michael Bond investigated *Asian values*, he added to Geert Hofstede's typology of culture (Hofstede & Bond, 1988) with the term *Confucian Dynamism*. The term has more recently been changed to *long-term orientation* to reflect this cultural difference.

Today it is found in China, and other Confucian societies, not only a long-term orientation toward business, but other common characteristics such as strong organisational hierarchy, the importance of age and position, the expectation of hard working employees, and business transactions based on connections. In addition, there is an importance placed on proper role and ritual, group harmony, and respect for authority. Many managerial practices found in China and other Confucian cultures can be traced to the sayings of China's first teacher.

Confucius placed a strong focus on interpersonal and transformational leadership, the ethical behaviour of individuals, and the development of human capital. He promoted the development of cooperation and harmony among people and the importance of group solidarity. The advice given by Confucius over 2500 years ago is still relevant

today. Bartlett and Ghoshal (1994) in an important five-year study involving firms from the United States, Europe, and Japan concluded that managers of successful firms, regardless of where they operate, follow a similar philosophy. The successful firms placed less emphasis on strategies and structure, and instead focused on creating purpose. They were less concerned with methods of controlling employee behaviour and more concerned with the development of their human capital. They sought to instill values in the employees that they could identify with and work to achieve. Confucius, as spoken through the oldest version of the *Analects*, the Dingzhou manuscript, had provided modern managers with a time-tested framework for effective managerial practice, and provides a better understanding of the cultural foundation of modern Chinese management.

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