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THE EXPERIENCES OF FINNISH COMPANIES ABOUT THE QUALITY OF CHINESE LABOR

Comparison between Chinese and Finnish work cultures

International Business
2009

VAASA UNIVERSITY OF APPLIED SCIENCES

Degree program in International Business

ABSTRACT

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Title	The Experiences of Finnish companies about the Quality of Chinese Labor
Year	2009
Language	English
Pages	70 + 3 Appendices
Name of Supervisor	Kari Tikkala

The research can be divided into three; an introduction, a theoretical and an empirical study. The theory deals with culture, quality of services, formation of service quality and the measurement of customer satisfaction. The empirical study consists of the research methods, stages of the research and the results of the study. At the end the study, a summary and a conclusion of the research are introduced and the validity of interview material is evaluated as well recommendations for further research are given.

The objective of the thesis was to investigate how Finnish companies have experienced the quality of Chinese labor force compared to the quality of Finnish labor force, which has graduated from Universitites of Applied Sciences. The comparison between the Chinese and the Finnish cultures was based on Geert Hofstede's study of cultural dimensions. Experiences were studied with the help of customer satisfaction and the idea was to find out which are the factors Finnish companies are satisfied or dissatisfied with, and how Chinese labor quality could be improved in order to create more professional workforce. Three case companies were interviewed, and the interview questions were formed based on the SERVQUAL instrument and the study of cultural dimensions.

Judging by the results, some differences were found between Chinese and Finnish labor culture. The Finnish companies were more satisfied with the reliability, diligence and the positive attitude of the Chinese employees compared to the Finnish employees. It is impossible to make large generalizations as most answers differ from each other. Two out of three companies thought that co-operation between schools and companies could be more active in order to create more professional work force for the Finnish labor market.

Keywords	Chinese Labor, Customer Satisfaction, Culture, Service Quality

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TIIVISTELMÄ

Tutkimus jakaantuu kolmeen osaan, joita ovat johdanto, teoreettinen viitekehys sekä empiirinen osuus. Teoriaosuudessa käsitellään kulttuuria, palvelun laatua ja sen muodostumiseen vaikuttavia tekijöitä sekä asiakastyytyväisyyttä. Empiirinen osuus koostuu tutkimuksen tavoista, työn vaiheista sekä tutkimustuloksista. Lopuksi tutkimustuloksista esitetään yhteenveto ja johtopäätökset, arvioidaan aineiston luotettavuutta, sekä esitetään tutkijan ehdotus jatkotutkimusta varten.

Tutkimuksen tavoitteena oli saada selville kuinka suomalaiset yritykset ovat kokeneet kiinalaisen työvoiman verrattuna suomalaiseen työvoimaan, joka on valmistunut Ammattikorkeakoulusta. Suomalaista ja kiinalaista kulttuuria verrataan Geert Hofsteden kulttuurin dimensioiden avulla. Kokemuksia vertaillaan asiakastyytyväisyyden valossa, ja haluttiin selvittää mihin seikkoihin oltiin tyytyväisiä ja tyytymättömiä. Tutkimus pyrki selvittämään myös kuinka kiinalaista työvoimaa voitaisiin suomalaisten yritysten mielestä parantaa. Haastattelut ja haastattelukysymykset laadittiin kulttuuri dimensioiden sekä SERVQUAL instrumentin teorioiden pohjalta.

Tutkimustulosten perusteella voidaan sanoa että, joitakin eroja havaittiin suomalaisen ja kiinalaisen työvoiman välillä. Suomalaiset yritykset ovat tyytyväisempiä kiinalaisen työvoiman luotettavuuteen, ahkeruuteen sekä positiiviseen asenteeseen. Oli mahdotonta tehdä suuria yleistyksiä, sillä vastaukset vaihtelivat yritysten välillä. Kuitenkin kaksi kolmesta yrityksestä oli sitä mieltä, että suomalaisten yritysten tulisi tehdä enemmän yhteistyötä koulujen kanssa, jotta työvoimasta saataisiin entistä ammattitaitoisempaa.

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TIIVISTELMÄ

APPENDICES

I.   INTRODUCTION

1   INTRODUCTION

The introduction presents the research problem, the aim and meaning of the research as well the central concepts of the research

1.1   Aim of the Research and Research Problem

The aim of the thesis is to investigate how Finnish companies have experienced the quality of Chinese labor compared to the quality of Finnish labor, graduated from the Universities of Applied Sciences. The research compares the Chinese and the Finnish labor cultures and tries to find the differences between them. The research tries to reveal why customers are satisfied or dissatisfied with the quality of Chinese labor, in other words, how Finnish companies perceive Chinese labor. One aim is to provide information to Chinese students on qualifications Finnish companies value in labor and via that, help Chinese students to understand Finnish labor culture.

> **The research problem can be presented as follows: How have the Finnish companies experienced the quality of Chinese labor compared to the quality of Finnish labor?**

In order to find answer to the research problem the following questions will be presented:

1. What are the factors customers are satisfied with, and why?

2. How could the quality of Chinese labor be improved, in order to achieve higher customer satisfaction?

1.2   Objectives of the Research

The nature of the Universities of Applied Sciences is to create and mediate professional workforce. The Universities of Applied Sciences should observe the quali-

fications needed in different fields of work, and make sure that the studies promote the need. (Mäki 2000, 17)

I am interested in finding out whether the Universities of Applied Sciences have managed to mediate suitable workforce for three Finnish companies and how companies see the quality of labor force. The research provides information about the quality of services and customer satisfaction with Chinese labor force. The aim is that the results can give some information to the Universities of Applied Sciences to create and mediate even a more professional workforce for international labor markets and that the study also provides information to Chinese students in Finland on the qualifications Finnish companies value in labor and in doing so also help Chinese students to understand Finnish labor culture . I am also interested in seeing how cultural awareness can affect customer satisfaction. Understanding culture can widen the global perspective of the business environment and help to decrease the amount of misunderstandings and false expectations.

It is obvious that generalizations cannot be made as the number of interviewees is so low. Still, it is possible to gain some knowledge about what Finnish companies value or criticize about Chinese labor.

1.3   Structure of Research

The theory and the concepts are based on Nordic and American literature about customer relationship marketing and human resource management. Chapter 1 introduces the theme of the thesis. Chapter 2 summarizes the theory, in order to help the reader to understand the connections to the empirical study. Chapter 3 brings forth what culture is, and the concentration is steered to Geert Hofstede's theory about the dimensions of culture. In chapter 4, the quality of services and the expectations are closely examined, where Grönroos, Zeithaml, Bitner & Dwayne can be seen as opinion-leaders. The ideas of Kotler and Hoffman & Bateson will also be presented. The relationship between service quality and customer satisfaction can be characterized as inconstant, as it is believed that customer satisfaction leads to perceived service quality. (Batson & Hoffman 2002, 324) Based on this, chapter 5 discusses the measurement of customer satisfaction and service quality.

Hoffman & Bateson and Ylikoski lead the reader into the world of customer satisfaction, while Storbacka & Lehtinen present four service quality functions, as factors affecting customer satisfaction. Zeithaml, Bitner & Dwayne present the determinants of customer satisfaction and their relationship with service quality. The measurement of customer satisfaction is discussed based on the literature of Rope & Pöllänen, Lotti, Ylikoski and Gummesson.

The empirical study, starting from chapter 6, introduces the different phases of the research and the research methods that are used. The interview questions are approached with the help of qualitative research methods, as only three case companies are interviewed, with the purpose of analyzing data accurately. A characteristic of the case research is to compare groups that share some common features. A case research is made by searching for similarities and intensive information (Hirsjärvi etc. 2004, 125). Uusitalo and Likitalo talk about qualitative research as Rubin & Rubin go more deeply into qualitative interviewing. Validity and criticism to data collection are presented based on the literature of Burns & Bush and Rope & Pöllänen The results of the study will be presented in chapter 7, while conclusion and evaluation of results can found in chapter 8. Chapter 9 shortly presents recommendations for further research.

1.4 Explanation of Concepts

Culture

Culture is something abstract, as well as something concrete. (Ting-Toomey 1999, 9) Culture is learned as a collective phenomenon, and it is, to a certain extent, shared by people within the same social environment. Culture is a programming of the mind in such a way that people are able to distinguish one group or society from another. (Hofstede 2005, 4)

Iceberg Model

Culture is compared to an iceberg; we are only able to see the top of an iceberg, as, many times, the biggest part is under the surface. The same applies to culture. Traditions, beliefs and values are hidden under the water, and we are only able to

see or hear the interpretation of these artifacts. To understand culture, we need to go under water and match the deepest values to visible behavior. (Ting-Toomey 1999, 10)

Service

"Service is at least to some extent an intangible act, or a series of acts in where the problem of the customer is resolved so that the customer, the service person-nel and/or physical resources or goods and/or the systems of service provider are in interaction with each other." (Gröönroos 2000 Nyt kilpaillaan palveluilla, 50-52) The intangible effect of services is important to marketing, as it can cause problems to the customer, as well to the marketer himself. It is impossible to re-store intangible services or to know in advance what you are getting, as intangible services can only be experienced when they are consumed. (Ylikoski 2001, 21-22) Services can be described with words,deeds, efforts and performances. (Bateson& Hoffman 2002, 4)

Service quality

According to Bateson & Hoffman, 2002; "*Service quality is an attitude formed by a long-term, overall evaluation of a firm's performance*" (Bateson & Hoffman 2002, 324). According to Gröönroos, service quality can be whatever the custom-er perceives it to be. Customers may experience the quality in a wider perspective, and the experiences possessed are usually based on something other than technical issues. It is important to remember that quality is important in the way the cus-tomer perceives it. The company should determine the service in the same way as their customers. (Gröönroos 2000, 63)

Customer satisfaction

A well-known definition of customer satisfaction is the comparison between ex-pectations and experiences. Usually satisfaction is tied to the fulfillment of expec-tations; the customer either meets the expectations or he does not. The expecta-tions can also be exceeded when the customer expectations are overcome. (Hoff-man 2002, 298)

SERVQUAL Instrument

The SERVQUAL instrument consists of 10 quality determinants, which help researchers to characterize the perceptions of services. With the help of the SERVQUAL Instrument it is possible to examine customer's opinions about the quality of services. (Gröönroos 2000, 74)

II.   THEORETICAL FRAMWORK

2   ABSTRACT OF THEORY

In this chapter the theoretical framework will be gathered together, in order to create a holistic picture of the research. The theory discusses culture, understanding the cultures and the differences between the Chinese and the Finnish labor cultures with the help of Hoftede's culture dimensions. It is important that the reader understands how culture is formed and how it affects our perceptions of the people around us.

Service expectations, service quality and customer satisfaction are discussed in order to create a vision of labor as a service and to find out how expectations and satisfaction are formed according to customer relationship marketing literature.

It is possible to examine customer perceived value with the help of customer satisfaction. Service quality studies have defined five common features that customers usually prefer to use while evaluating service quality. The SERVQUAL Instrument divides the factors into reliability, responsiveness, assurance, empathy and tangibles. The dimensions of the SERVQUAL instrument are used as a foundation of this research.

Reliability in this research means labor who perform given tasks with consistency. Responsiveness is the willingness of labor to perform their tasks on time with a good attitude. Assurance can be linked to professionalism and skills. An employee should have the required skills to solve the problems of the employer in a professional way. The image is also linked to assurance. Image is the picture a Chinese employee mediates to his/her employer of himself at work. Empathy can be linked to the functionality of personal relationships, meaning how well the employer, the employee and fellow human beings are able to understand each other.

Customers have different expectations and perceptions about services. This research concentrates on the actual outcome of services - not on expectations, as there has been a lot of criticism about how well customers can evaluate their ex-

pectations prior to experiences. This means that expectations are not studied separately but simultaneously with perceptions.

In order to interpret the theory properly, it is important to recognize the essential concepts and themes of the research already in the data collection phase. The theoretical study is the foundation of data collection and the different concepts and the themes mentioned are related to each other in a reasonable matter.

3   CULTURES IN COMMUNICATION

3.1   Introduction to Culture

In this research I have chosen to study culture, as it affects all aspects of activities in an international organization. The way how employees are motivated to work, their productivity and efficiency as well the innovation, creativity, good will and moral are all influenced by culture. (Campbell, Stonehouse & Houston 2000, 45-46) Culture describes patterns of feeling, acting and it is included in basic acts such as greetings, showing of emotions, keeping physical distance from other people and it can also be something as simple as eating habits. (Hofstede 2005, 3-4)

3.2   The Onion Model of Culture

The onion model depicts the "depth" of culture. On one hand the innermost circle describes the things which are hardest to see. On the other hand, practices tell us how people around us see and hear our interpretation of the issues in the deeper level of culture.
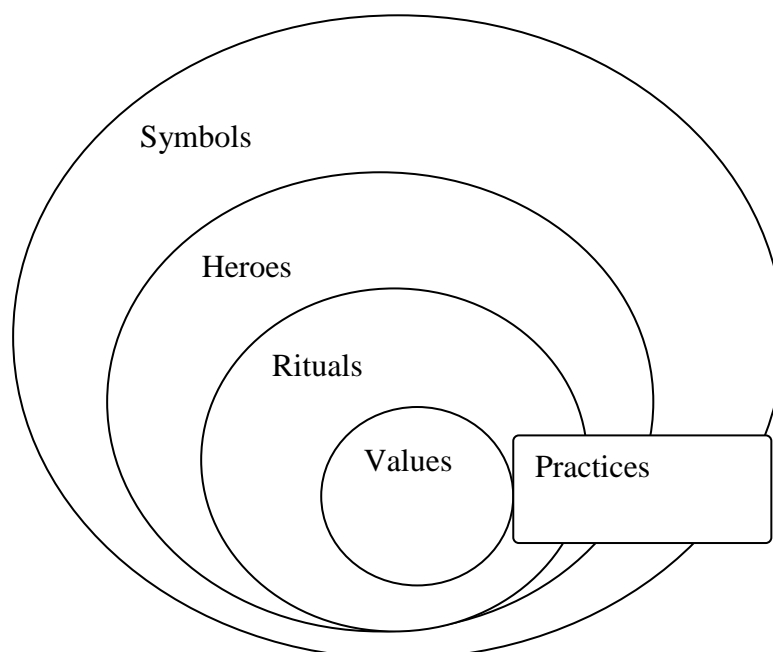
Figure 1. Onion Diagram of Culture at Different Levels of Depth (Hofstede 2005, 7)

Symbols stands for objects that bear a certain meaning for those who share the culture. Words, gestures and pictures can be categorized as symbols. Hofstede suggests that it is easy to develop new symbols; likewise it is easy to lose or replace the old ones. *Heroes* are attached to role models, imaginary, alive, dead or real ones. Heroes have characteristics that are highly valued in a culture and they influence the behavior of other individuals. *Rituals* are considered socially essential to a certain culture even if they are not inevitably redundant. Greetings, the respect of other individuals or social ceremonies are categorized as rituals. All these different layers are listed under P*ractices*, which mean how the outsider is able to see the interpretation of these invisible cultural meanings of individuals. (Hofstede 2005, 7-8)

The innermost circle, the core of culture is *values.* Values are broad tendencies, which deal with:

- Evil versus Good

- Dirty   versus Clean

- Ugly   versus Beautiful

- Unnatural versus Natural

- Abnormal versus Normal

- Paradoxical versus Logical

- Irrational versus Rational

Values are something we learn approximately during the first ten years of our lives. A change in values after the early years is difficult and some values may even remain unconscious as obtained so young. (Hofstede 2005, 8, 367)

3.3   The Iceberg Model of Culture

An iceberg is appropriate for describing culture. There is the visible layer above the water and invisible layer below the water. The visible side describes the things we can sense physically, like greetings, food, gestures and behavior. In order to

understand the visible side, it is recommended to dive beneath the surface. The invisible side of culture includes religious beliefs, rules of relationships, motivation, tolerance of change, communication styles, modes of thinking and attitudes to rules and regulations. (http://www.kwintessential.co.uk/cultural-services/articles/intercultural-iceberg-model.html)

VISIBLE

INVISIBLE
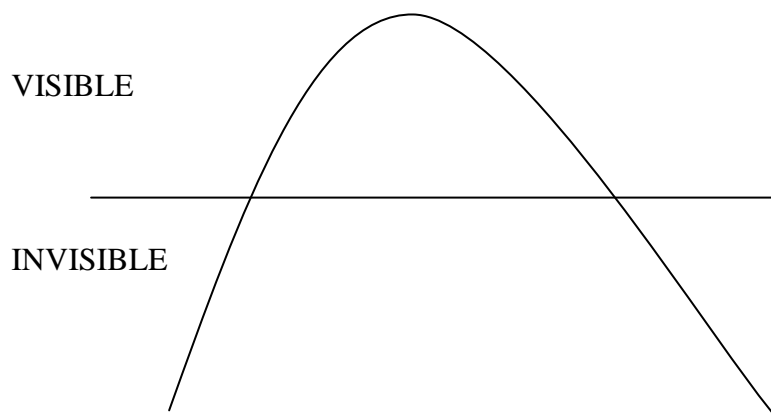
Figure 2. Iceberg Model of culture (http://www.kwintessential.co.uk/cultural-services/articles/intercultural-iceberg-model.html)

The reason why the Iceberg Model is presented in this research is the fact that I want to stress the importance of understanding culture. If employers have knowledge about the Chinese culture, habits - most of all things that lie invisibly beneath the surface - it is presumable that employers are more satisfied with Chinese labor, as they know what to expect. The Onion Model of the different levels of culture is also presented to deepen the understanding of the Iceberg Model. I suggest that practices, the ways things are done, are on the visible side of the Iceberg. If we are able to understand the deeper, invisible level like values, it will improve the satisfaction as we understand why things are done in certain ways.

3.4 Culture Dimensions

Hofstede divides culture into five different dimensions; Low Power distance, versus High Power Distance, Individualism versus Collectivism, Masculinity versus Femininity, Strong Uncertainty Avoidance versus Weak Uncertainty Avoidance

and Long-Term Orientation versus Short-Term Orientation. It is important to remember that these dimensions describe the differences between nations & cultures, and, in every country, we can be find individuals from all extremes.

(http://www.etk.fi/Binary.aspx?Section=42845&Item=60362)

All of these dimensions are relevant when talking about working life and they are appropriate for measuring the quality of it. (http://www.etk.fi/Binary.aspx?Section=42845&Item=60362)

Low Power Distance compared to High Power Distance tells how the members of an organization accept and expect the fact that people are unequal. (Hofstede 2005, 41) China has a significantly higher Power Distance ranking of 80 (http://www.geert-hofstede.com/hofstede_china.shtml) compared to Finland's 40. (http://www.geert-hofstede.com/hofstede_finland.shtml) This figure tells about the high level of inequality concerning power and wealth inside the society and it could be accepted by the society as their cultural heritage. (http://www.geerthofstede.com/hofstede_china.shtml)

The power distance in the workplace is formed between the employer and the employee. High power distance is the situation when the distance between these two is enormously unequal meaning that there is little conversational sharing of ideas or co-operation. The employer gives the orders and employee follows the instructions. (Hofstede 2005, 59)

Individualism versus collectivism describes how well people integrate into different groups. On the individualist side, everyone is expected to take care of him/her self and of his/her closest family. In collectivistic societies, people are born integrated into one big family where everybody looks after each other all their lives. (Hofstede 2005, 76)

 When comparing the Chinese and the Finnish cultures, it can be seen that individualism is valued very highly in Finland, whereas the collectivistic ideology is the prevailing one in China. Actually China is ranked the lowest in individualism

compared to any other Asian countries. (http://www.geert-hofstede.com/hofstede_china.shtml)

The employers in individualistic countries expect their employees to act according to their own interests but in such a way that the employers' interests are fulfilled. In a collectivistic culture, the employer hires a person who belongs to a certain group. The employee acts on behalf of the whole group, his or her own interests would not be involved. (Hofstede 2005, 99)

Individualist pole	Collectivist pole
• Have a job that leaves time for personal and family life • Have freedom to adopt one's own approach to the job • Have a challenging job	• Have training opportunities • Have good physical working conditions • Can fully use skills and abilities on the job

Table 1. Work goal items. (Hofstede 2005, 76)

According to Eija Hakari, a researcher of Chinese labor culture, the Chinese and the Finnish labor cultures differ greatly from each other. Hakari states that the Asian culture stresses to gain benefit to yourself and after that to your family, then relatives and last to the employer. (http://www.talouselama.fi/uutiset/article158639.ece)

Masculinity versus Femininity refers to the distribution of roles between genders. Hofstede's study reveals that masculinity stands in societies where social roles are typically separated. Men are expected to prefer achievements; they are expected to be more assertive, tough and competitive. Women are expected to take the nursing role; to look after the family and the home concerning more about the quality of life. In societies where emotional gender roles are split up, meaning both men and women can act in similar ways can be called feminine. (Hofstede 2005, 117-120)

Masculine pole	Feminine pole
- Have an opportunity for high earnings - Get recognition after a good job - Opportunity for advancement to higher-level jobs - Have an opportunity for high earnings	- Have a good relationship with superior - Work with people who cooperate well with one another - Live in the area that is desirable to you and your family - Have permanent vacancy

Table 2. Work goal items (Hofstede 2005,118-119)

According to Howstede's study, China is almost on the top of masculine societies, while Finland is on the top of feminine societies. (Hofstede 2005, 120-121) In feminine cultures, conflict situations are resolved by talking and sharing ideas, either negative or positive. In a masculine culture, the strongest and the most "militant" person collects the trophy. In a masculine society, equality is attached to performance and results, while a feminine society stresses everyone's equality. A masculine culture prefers performance makers who dedicate their lives to work, while a feminine culture thinks that work is only one part of life and it is done in order to "survive". (Hofstede 2005, 143-144) According to Ting-Toomey, those working in a feminine culture are more aware of the quality of work and life while those working in a masculine culture concentrate on tangible results and achievements at work. (Ting-Toomey 1999, 73)

Masculine traits like assertiveness, materialism, material success, self-centeredness, and power, strength and individual achievements are prevailing features in a masculine culture. (http://www.clearlycultural.com/geert-hofstede-cultural-dimensions/masculinity/)

Strong Uncertainty Avoidance versus Weak Uncertainty Avoidance

Uncertainty avoidance is attached to handling the feeling of the unknown and uncertain situations, and the extent of avoiding these situations. The weaker the uncertainty avoidance, the smaller the feeling of threat and avoidance of the unknown. Thinking the other way around, it can be said that a strong uncertainty

avoidance culture does not encourage risky actions whereas it prefers straightforward and clear guidance. (Ting-Toomey 1999, 71)

When comparing China and Finland in Hofstede's study, China is listed quite low with weak uncertainty avoidance (score 68-69 from 74) while Finland is placed to the medium-low level (48-49). In strong uncertainty avoidance cultures, people tend to be busy all the time, enjoying hard work, whereas in weak uncertainty cultures, a more relaxation-oriented attitude is appreciated even though people work hard when necessary. Hofstede stresses that in weak uncertainty avoidance cultures, conflicts should be eliminated and the precise instructions to work and to employees should be provided. Uncertainty avoidance cultures also prefer specialization when uncertainty accepting cultures believe in common sense and a generalist contact to work. (Hofstede 2005, 182-183) Hakari states that in the Chinese labor culture, independent initiative is not a virtue. She also claims that Finnish employees want to work individually while the Chinese look for a strict guidance. The employer is expected to give the instructions thoroughly and if the instructions are not accurate enough she or he is considered as a weak leader of a group. Haikari also says that the Chinese culture values the physical appearance of an employer. (http://www.talouselama.fi/uutiset/article158639.ece)

Long-Term Orientation versus Short-Term Orientation

Hofstede suggests that short-term orientation cultures prefer freedom, rights and achievements as their main values at work while the long-term side prefers learning, honesty, and the ability to adapt to things as well self-discipline. Long-term cultures do not value leisure time as much as short-term orientation cultures do. One thing to note is the short-sided way of thinking compared to long-sighted way of thinking. On short-term orientated cultures, meritocracy is preferred, meaning that people are competing with their abilities and are rewarded for their performances while in long-term cultures, wide social and economic differences are avoided. (Hofstede 2005, 225)
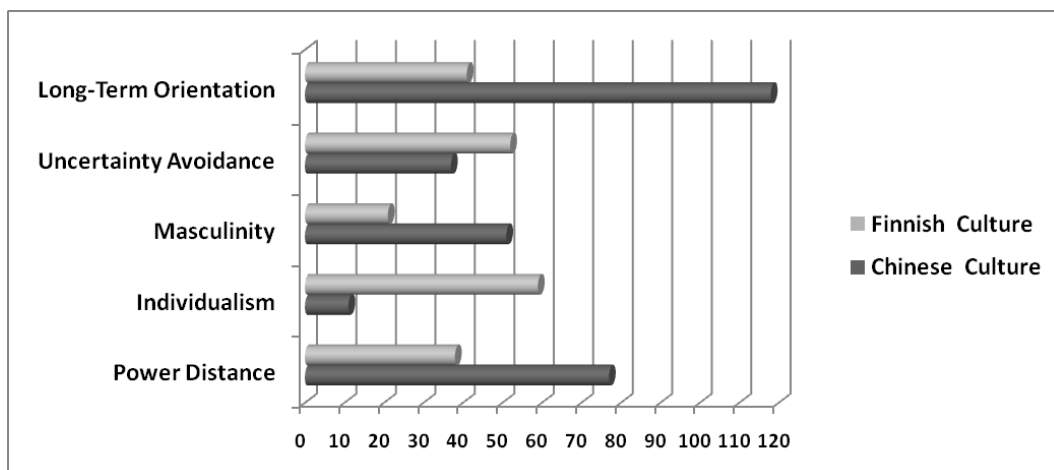
Figure 3. Amendment of Hofstede's Cultural Dimensions (http://www.geert-hofstede.com/) and Hofstede 2005, 211)

Masculinity versus feminity. This comparison shows us that Finland is a country where the distance from authority and power are very small and at the same time the level of inequality is small. Finland can be said to be relatively individualistic and extremely feminine compared to China. Finns appreciate security and at the same time they do not tolerate insecurity.

4   SERVICE AND SERVICE QUALITY

The following chapter concentrates on widening the reader´s view about services as a concept, the special features of services and how the customer experienced service quality is formed based on Nordic and American literature.

4.1   Definition of Service

Service is everything one party offers to another. Service is an intangible but a physical product, which can be attached to service production. Services cover many different professions. In the public sector, the judicial system, the employment agency, the police and the hospitals can be mentioned. Non-profit organizations in the private sector can be e.g. museums, churches, charity-organizations and schools. Business companies providing services are banks, hotels, private medical clinics or insurance companies (Kotler 2003, 444)

Gröönroos defines services by combining the definitions of Gummesson, Lehtinen, Kotler and Bloom*: "Service is at least in some extent intangible act, or series of acts in where the problem of customer is resolved so that customer, service personal and/or physical resources or goods and/or the systems of service provider are interaction with each others*." (Grönroos 2000 Nyt kilpaillaan palveluilla, 50-52)

4.2   Basic Characteristics of Services

Zeithaml, Bitner and Gremler have named a few common features that can be associated to services. *Intangibility* is one major difference when comparing products and services. Services cannot be seen or touched like products and this usually creates difficulty in assessing them. *Heterogeneity* means that each service can be different as consumers and providers are individuals and everyone produces and experiences things in their own way. *Simultaneous Production and Consumption* means that services are usually gained first, after which the production and the consumption happen simultaneously. Service producers are often taking part in service consumption by themselves and via that, they are also essential factors

in the service experiences the customers perceive. *Perishability* means that while a service is consumed there is no possibility to return it or use it again. (Zeithaml, Bitner & Dwayne 2006, 21-24) In other words, if the employer is not satisfied with the labor, the hours employee used for his work cannot be returned.

Gröönroos, 2002 presents similar characteristics of services:

Intangible

Heterogeneous

Production, distribution and consumption simultaneous processes

An activity or process

Core value produced in buyer-seller interactions

Customer participate in production

Cannot be kept in stock

No transfer of ownership

Table 3. Characteristic of services (Gröönroos 2000, 47)

4.3   How Customer perceived Service Quality is formed?

4.3.1   Service Expectations

Every customer has different kinds of expectations about services. A desired service tells about the expectations and hopes the customers have and what the service is wished to be like. A desired service is a combination of what the service can, or should be, e.g. the wishes and hopes of an employer to find the right employee in the right place for the right salary. A desired service is usually something that the customers desire though they are still aware that it does not necessarily happen. An adequate service describes the level of a service when the expectations are not met but the level is still adequate for the customer to settle for it. (Zeithaml, Bitner & Dwayne 2006, 83)

Customers are internalizing the fact that services are different in different fields and even inside the same company. The zone of tolerance determines the extent to which the customers are able to approve of the differences. It could be said that the higher the expectations the narrower the zone of tolerance. When the zone of

tolerance is dropped the customers feel disappointed and frustrated and when the level is exceeded, the customers feel unexpected joy and surprise. (Zetihaml, Bitner & Dwayne 2006, 85-87)

I think that those who have a good knowledge about the Chinese culture will also have a wider zone of tolerance. When the employers know or learn to know the culture, symbols, heroes, rituals and values, they dive below the surface into the invisible side. This helps the employer to visualize the service. When the employers learn to know the Chinese culture, it is easier for them to know what to expect.

4.3.2   Desired Service

A desired service is influenced by the *personal needs* of customers, which can be physical, social, functional or psychosocial. *Lasting service intensifiers* are personal, stable factors that lead the customers to demand better services. The most important one is *derived service expectations*, which are service expectations influenced by the opinions of other people. The need should answer the need of those parties who will be the ones receiving the service. (Zeithaml, Bitner & Dwayne 2006, 87-88)

For example, a company who has operated on the international markets many years may have higher personal expectations of international labor compared to a firm who has just expanded business abroad. Derived service expectations can occur when employer hires new person to a team and he needs to think on behalf of a whole group, if the new person is suitable to the group.

4.3.3   Adequate Service

Temporary service intensifiers, perceived service alternatives, customer self-perceived service roles, situational factors and predicted services all influence adequate service expectations. Temporary service intensifiers are usually short-term and individual factors. The employer may lose one of his employees to a competitor during a busiest period and a new employee is needed urgently. These are situations where the level of adequate service decreases, because an inexpe-

rienced employee is better than no employee at all. Perceived service alternatives occur when customers know there are several possible service providers available. The customer is able to influence the perceived service; the higher the performance the higher the expectations. Situational factors are something the service provider is not able to control, but these factors still affect the level of services. The customers who understand that the factors are not dependent on the service provider, may lower the level of adequate service expectations. The last factor, the predicted service is usually an estimation or calculation of a perceived service. The predictions may be good, when the level of adequate service is higher and vice versa the predictions can be bad, when the level of adequate service is lower. (Zeitihaml, Bitner & Dwayne 2006, 88-93)

4.3.4   Predicted- and Adequate Service

Adequate-, and predicted service expectations are both influenced by one internal and three external factors. *Explicit service promises* can be seen as personal or general marketing of product or services. *Implicit service promises* are tips to consumers about how a service should be. *The word of mouth* is seen as a really important factor in service expectations. The word of mouth influences the desired service as well the predicted service. *Past experience* of a perceived service affects future services. Past experiences are compared if the same service provider is used again. Even if the service provider is not the same, only the service itself, a comparison may occur. (Zetihaml, Bitner & Dwayne 2006, 87-95)

For example, schools market themselves with international students and the promise is not personal to any customer; it is general marketing to labor markets. This can be seen as a explicit service promise. Implicit service promises could be related to two students who have received similar education, but the other possesses much more work experience. The student with more experience can request more salary than the one with less experience. This will also lead to a situation where the employer expects to receive more skilled labor and value for his money. Word of mouth, the opinions and experiences of other people are important. This is also easy to relate to a situation where students are looking for a job. The references

from a former employer might be extremely important because labor as a service cannot be experienced before it actually happens. In many cases, someone has recommended the student to a company when the company's expectations towards the student are also higher. A good example of past experience is an employer seeking a new employee. It might be that he has earlier experience from other students from same University of Applied Sciences or Chinese students and he is comparing the recruitment of these employees to the new applicants. It might also be that the employer has hired another Chinese student from some other school and compares the common picture of Chinese workers.

Visualizing pictures of factors affecting desired and predicted service can be found in appendix 1.

4.4 Technical and Functional Quality

A perceived service quality contains two different dimensions, *technical quality* which tells about the outcome and *functional quality* which relates to the processes. It is often thought that only technical quality determines the quality evaluation. W*hat* the customer receives is firmly combined to *how* he receives it. Many services that include both technical and functional attributes can offer added value to customers. A good example is a claim with good technical quality, meaning that the customer is satisfied how the handling of the claim was done. The functional quality of the claiming process could have been slow and time-consuming, which might have influenced the customers' perception in a negative way. This would mean that the functional quality could lower the total quality even if the technical quality was good. (Gröönroos 2000, 63-65)

Technical and functional quality dimensions are not only suitable for services. The technical settlement of a product constitutes part of the overall technical quality the customer perceives. Tailoring the products for customers is adding the functional value, and, therefore, part of the functional entity the customer conceives. (Gröönroos 2000, 64)

The technical knowledge of Chinese labor could be said to be only part of technical quality, as it is part of total perceived quality that customers conceive. Practical training is a good solution for the needs of customers, which could add the functional value for Finnish companies and via this be part of total perceived quality. The technical quality can be good even if the functional quality is not. Students may have graduated with the best possible papers without being able to implement their skills in a working environment.

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                    ┌─────────────────────┐
                    │   Total quality     │
                    └─────────────────────┘
                         ↑         ↑
                    ┌─────────────────────┐
                    │ Image (corporate/local) │
                    └─────────────────────┘
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         ┌──────────────────┐   ┌──────────────────┐
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         │ the outcome/ WHAT  │ │ the process HOW   │
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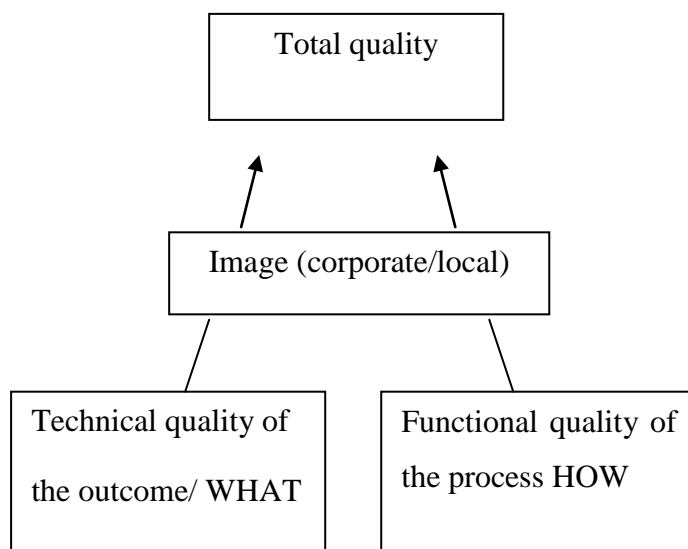
Figure 5. Service quality dimensions (Gröönroos 2000, 65)

4.4.1 Technical Quality

The technical quality is an important measurement tool to customers. Still, companies should remember that technical quality is not the *total* quality of a provided service. It is only one extension in the service delivery process and determines what remains to the customer when the whole process is over. (Gröönroos 2000, 63).

4.4.2   Functional Quality

The functional quality dimension is not as easy to evaluate as a technical quality. According to Gröönroos; "customer is influenced how he receives the service and how he experiences the simultaneous production and consumption process". (Gröönroos 2000, 64)

4.4.3   Image

The third factor that has an impact on total perceived quality is the image of the service company. It is important as in many cases customer can see resources and actions of the service provider, which again may influence the perception of quality. Little mistakes are forgiven if the image is positive in the customer's eyes. Constant mistakes may harm the image and this may lead to a situation where even the tiniest mistake can influence the customers in a negative way. As you can see in the figure J, the image can be seen as a filter for a perceived service. (Gröönroos 2000, 64)

The effect of image does not play an essential part in this study. It is noted in the literature that the role of image is important while examining the service quality but the practical impact of it is not explored much (Kang & James 2004, 269).

4.5   Service Quality determinants according to SERVQUAL

In the mid 1980's Berry, Parasuraman and Zeithaml created the SERVQUAL Instrument in order to describe service quality determinants. Following 10 determinants are presented below:

Reliability is the most important determinant to customers when they evaluate the service quality, and it forms the core of the whole service quality. When talking about reliability, the authors have wanted to describe the accuracy and consistency of a service, meaning the right service at the right time, in the right place with the correct ways of serving it. (Gröönroos 2000, 75)

Responsiveness is attached to willingness to serve; ability to offer quick and prompt services to customers. (Gröönroos 2000, 75)

Competence can be attached to qualifications the service providers possess. (Gröönroos 2000, 75)

Access is the possibility to reach the contact easily. The telephone is answered immediately and the wanted service is within reach in appropriate time. The operating hours and the location are also part of access. (Gröönroos 2000, 75)

Courtesy is linked to the attitude of the service provider. The behavior should be polite and respectful. The physical appearance is another important factor. (Gröönroos 2000, 75)

Communication is changing the ideas in a way that both parties understand it. The organization should market its products in a way that the customer gets a clear picture of the offerings. Communication is offering a solution to the customer's problems. (Gröönroos 2000, 75)

Creditability is a promise to serve with the best interests. The characteristics of the personnel are important while evaluating creditability. If the appearance is trustworthy and honest, creditability is easier to achieve. This will improve their reputation, which again increases creditability. (Gröönroos 2000, 75)

Security means that there are no financial risks in the service. It can also mean a physical risk or confidentiality. (Gröönroos 2000, 75)

Knowing/understanding the Customer means that the service provider really understands what the customer needs. The service provider remembers that all customers are individuals. On the practical level, this means that a specialized service is offered to regular customers and their needs are remembered when they contact the service provider. (Gröönroos 2000, 75)

Tangibles are attached to the physical evidences, which may include to the services. Tools and equipments that are used in the service process, appearance of service providers, etc. (Gröönroos 2000, 75)

These attributes were later on compressed to five different sectors. Tangible, reliability and responsiveness still have the same meaning. Competence, courtesy, security and creditability are now seen as *Assurance*. Understanding the customer, access and communication can now be found under the concept *Empathy*. According to Gröönroos, empathy is seeing the problems of customers and finding the best possible ways to solve them. (Gröönroos 2000, 74-76)

4.6 Factors affecting Service Quality

From the figure 6 below, it is possible to see the relationship of reliability, responsiveness, assurance, empathy and tangibles, all of which influence service quality. Price, product quality, personal factors, situational factors and quality, in turn, influence customer satisfaction. Customer satisfaction is a wider concept than service quality and there are more factors that influence it. (Zetihaml, Bitner & Dwayne 2006, 108)
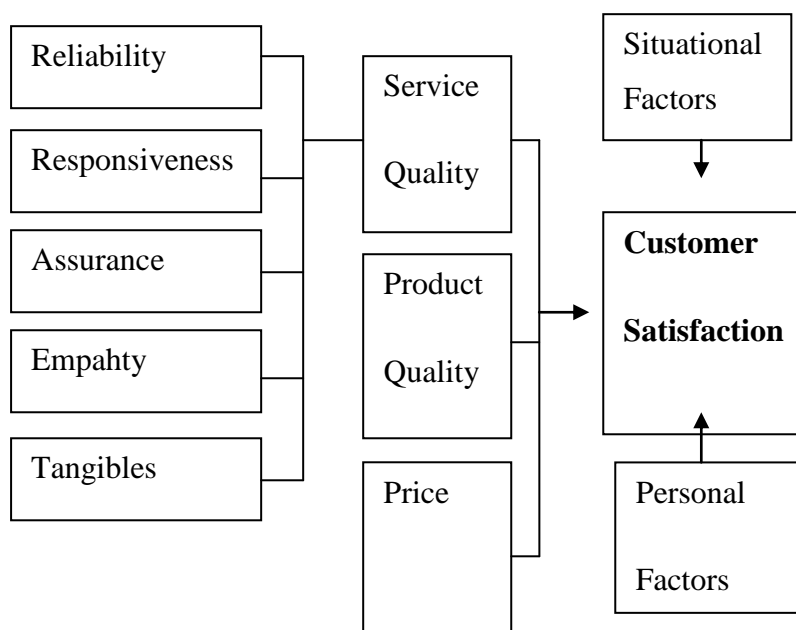
Figure 6. Customer perceptions of Quality and Customer Satisfaction
(Zeithaml, Bitner & Dwayne 2006, 107)

4.7 Total perceived Quality

Different quality dimensions presented in the previous chapters are now brought together to measure total perceived service quality. Experiencing quality is a complicated chain of events. Quality experiences are traditionally linked to marketing activities, which leads to a perceived service quality. The expectations of users have a big influence on the service quality. Quality is good when it meets the expectations of the user. (Gröönroos 2000, 63)

Figure 6 in appendix 2 visualizes different factors influencing total perceived quality. Marketing communication is all about how a company promotes itself to the customers. The image, a word of mouth and public reactions are harder to control as they are most probably a result of previous performance of a company. Needs and values also play a critical role in total perceived quality. (Gröönroos 2000, 67) According to Hoffman and Bateson 2002, "*needs are distinguished from expectations in that customers are generally aware of their expectations but are often unaware of what they need*". (Hoffman & Bateson 2002, 420)

A service provider should be careful about what they promise to customers as too high promises may lead to lower customer experiences. To avoid this quality gap, service companies should be careful with promotional actions. High quality is not enough if customer expectations are even higher. It is preferable to keep the expectations lower and, thus, decrease the risk of dissatisfaction. When expectations are exceeded, the company offers an unexpected surprise to the customer, which promotes loyalty and continuity. (Gröönroos 2000, 68)

4.8 Service Quality measurement

The measurement of service quality is important, as it has been studied that a perception of service quality comes first and a perception of satisfaction or dissatisfaction follows after that. (Gröönroos 2000, 80)

4.8.1 The Gap analysis approach

Berry and his colleagues have developed a gap analysis Model, which can be used when analyzing the sources of quality problems and for helping to understand how service quality can be improved. (Gröönroos 2000, 100)
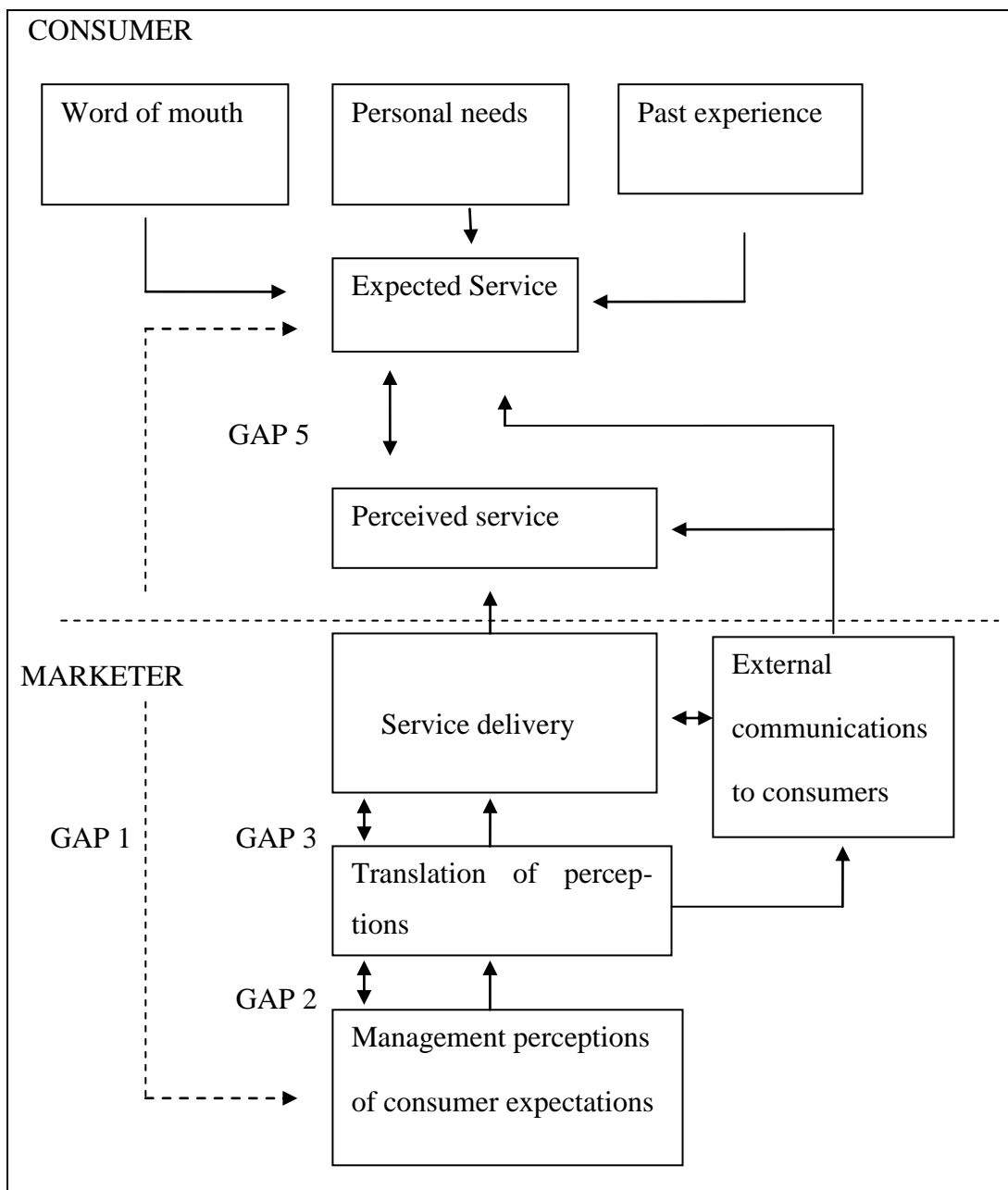
Figure 8. Gap model of service quality (Gröönroos 2000, 101)

A gap analysis demonstrates how service quality comes out. The upper part of the model shows the customer perspective, while the lower part deals with the service

provider. An expected service is formed from previous expectations the customer may have faced as well as from a word-of-mouth communication and personal needs. Marketing activities of the service provider also dictate the expected service. A perceived service is result of a series of internal decisions and different kinds of activities. The way the management perceives the expectations of customers leads the actual service delivery. (Gröönroos 2000, 101)

Quality gaps from the figure 8. are explained more closely below:

The management Perception Gap (Gap1)

The most obvious gap is usually found between the customers and the management. The management may have false ideas about what customers really want. The consequence of this will also lead to other gaps. (Hoffman & Baterson 2002, 327) The management is said to have problems with knowing the expectations or needs of the customers. (Lovelock 1996, 468, Zeithaml & Bitner 1996, 38) Gap 1 is due to several other reasons as well. One reason can be the inaccurate information from market research and demand analyses. Inaccurately interpreted information about expectations can also create problems. The third reason for this gap might be due to a nonexistent demand analysis; there might be bad or nonexistent upward information from the company's interface with its customers to management; and too many organizational layers to stop or change the pieces of information that may flow upwards from those involved in customer contact. (Gröönroos 2000,102)

Solutions to avoid Gap 1:

Sometimes the reason for Gap 1 might be bad management and a good solution might be "new winds" on the management level. Sometimes it is also enough to add the knowledge concerning service competition as the problems usually happen because of this and not because of a lack of pure competence and correct skills. A better research may be the key word for serving customer needs and wishes. (Gröönroos 2000, 102)

The Quality Specification Gap (Gap 2)

Gap 2 shows that service quality specifications are not consistent with manage-ment perceptions of quality expectations. The reason for this gap might occur be-cause of errors in the planning phase, the problems on the management level - a lack of a certain target they wanted to reach, for example. There might be differ-ent kinds of planning problems on different levels of the management but still the top management is the one who should inform the quality issues to the employees. Quality is an important factor when thinking about competition in the service field and it should be noted by the top management. (Gröönroos 2001, 103)

The Service Delivery Gap (Gap 3)

The meaning of this gap tells about missing quality specifications met by perfor-mance in the service production and delivery process. The reason for them might be too strict specifications, which lead to a situation where employees do not agree to certain rules. Specifications might also be different from the corporate culture prevailing inside the company. Internal marketing is a key as it can help employees to understand the limitations and profitability causes the company is having. Training, internal marketing and improvements in technology, and com-pany systems might give better support to quality behavior. (Gröönroos 2001, 103-104)

The Market Communication Gap (Gap 4)

The market communication gap tells how given promises by market communica-tion activities are not consistent with the actual service that the customer is receiv-ing. One reason for this is that market communication planning is not in close connection to service operations. This means that there is a lack of coordination between traditional external marketing and operations. The consequence of this might lead to a risk of too high expectations from customers as the company is giving false promises about their actions. Companies should create systems that would help them to plan as well to carry out the marketing communication with service operations and delivery. This would mean that those involved with service production would also take part in the planning phase with a deep commitment in order to create more realistic promises. (Gröönroos 2001, 105)

The Perceived Service Quality Gap (Gap 5)

When perceived or experienced quality is not what was expected, we can talk about perceived service quality gap. Quality problems, negatively confirmed quality and a bad word of mouth are results of this gap. Due to this gap, companies are in danger of losing their customers as their reputation, once it has gone, may never come back. A perceived quality gap can also be a positive thing when the expectations are overcome and overquality is reached. (Gröönroos 2000, 105-106

5 CUSTOMER SATISFACTION

5.1 What is Customer Satisfaction?

Service quality and customer satisfaction are nearly twisted to each other. Still, customer satisfaction could be described to be more short-term and one time-set as service quality is more like an outlook of performance that has been formed during close evaluation. (Bateson, Hoffman 2002, 323)

According to customer relationship management, there can be three different types of customers. The first group consists of customers who have purchased something. The second group are potential customers who have never purchased anything, but have been in contact with the personnel of a company. The third group of customers are those who have been in indirect contact with services (Rope & Pöllänen 1998, 27).

Customer satisfaction is studied much in marketing. Today's consumers are more aware, harder to please and their expectations are higher. There are several definitions for customer satisfaction but the most famous compares customer expectations towards their perceptions. (Bateson, Hoffman 2002, 295) After using the service, the customer is either satisfied or dissatisfied. A common assumption is that better service gives better satisfaction rates. Unfortunately it is not quite as simple; satisfaction is a much wider concept and service quality is only one factor influencing customer satisfaction. (Ylikoski 2001, 149)

5.2 Factors affecting Customer Satisfaction

While exploring quality functions, service companies are able to find factors that have a great impact on customer satisfaction. According to Storbacka & Lehtinen, customer experienced service quality can be divided into four different quality functions;

Critical factors, which means that the connection between customer satisfaction and quality is linear. When quality improves, better results in customer satisfac-

tion are achieved *Hygiene* factors refer to matters that do not directly improve customer satisfaction even though quality is improved. If some hygiene factors go beyond a certain level, it can mean a prominent drop in customer satisfaction. Quality should be at a certain level, but after exceeding the level no efforts to improve quality are recommended. *Insignificant* factors do not have any influence on customer satisfaction even if the quality level would increase or decrease. *Profiling* factors are those in which companies are able to distinguish from other service providers in the field. In profiling factors, better quality is seen more as an advantage, as improvements can have a significant meaning in satisfaction rating. (Storbacka & Lehtinen 2002, 99-100)

CUSTOMER SATISFACTION
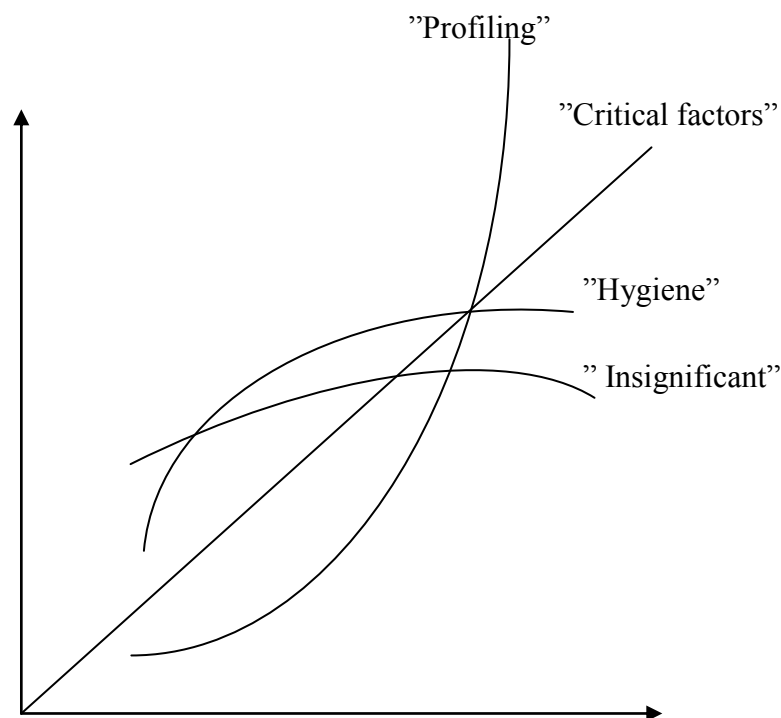
QUALITY

Figure 9. Quality functions (Storbacka & Lehtinen 2002, 99-100)

5.2.1   What determines Customer Satisfaction?

Product and service features determine how customers evaluate the service or product, and it has a high impact on customer satisfaction. Companies try to find the most important features to their customers and via that measure the rate of satisfaction with these features. (Zeithaml, Bitner & Dwayne 2006, 110-111)

 In my research these features are gathered together with the help of SERVQUAL instrument.

Consumer emotions have an impact on how a service is experienced. It is studied that positive and negative feelings will influence the outcome of a used service. Positive and negative emotions can increase or decrease customers satisfaction. (Zeithaml, Bitner & Dwayne 2006, 111)

When interviews are done, the answers of interviewees can be dependent on the present satisfaction to life or situation at the work place.

Attributions for Service Success or Failure can be said to be the causes of events customers observe after experiencing the service. If the service has not been what was expected, customers usually tend to find reasons for it. After that, they make up their minds about how satisfied or dissatisfied they are. In many cases, customers are willing to accept the fact that part of the reason for the failure of a service could have been due to the customer himself. (Zeithaml, Bitner & Dwayne 2006, 112)

Example for this could be e.g. the employer, who hired Chinese labor to their company. Was the employer right person to hire Chinese employee, did he have enough knowhow of Chinese applicant or Chinese culture. Could better knowledge of Chinese labor culture change customer satisfaction?

Perceptions of Equity or Fairness are important to customers. Customers are expected to receive equal treatment; similar prices and the same service quality compared to other customers. (Zeithaml, Bitner & Dwayne 2006, 112)

Other consumers, Family members and Co-workers highly affect overall satisfaction perceived. In many cases, there is not only a single individual who is in contact with the service used. The effect is wider when there are more people involved and, thus, the influence is estimated by a larger group of people. (Zeithaml, Bitner & Dwayne 2006, 112)

Satisfaction with a labor quality can be result of reactions and expressions of co-workers and individuals in the work place. Satisfaction can be influenced by the experiences and behavior of other co-workers in the workplace.

5.3   Measuring Customer Satisfaction

Customer satisfaction survey is a marketing research, which aims to find out how satisfied customers are with the operations of a company. A customer satisfaction survey is a marketing research that measures the functionality of contacts between the customers and the company. (Rope & Pöllänen 1998, 83-84)

The measurement of customer satisfaction is quality management. Measurement helps to understand the requirements of the customer and addresses the factors of successful co-operation. The measurement will also unveil the issues that may need amendment or reparation. Quality only takes place if the organization stands behind it. (Lotti 2001, 67)

The quality of Chinese labor is hard to evaluate before the actual work is at hand. Companies hiring Chinese labor are not able to evaluate the labor before the work is accomplished. The price is also seen by how much money is used for a certain employee. Personal factors could be the emotional state of an employer as well as uncontrollable factors such the general situation in the working environment.
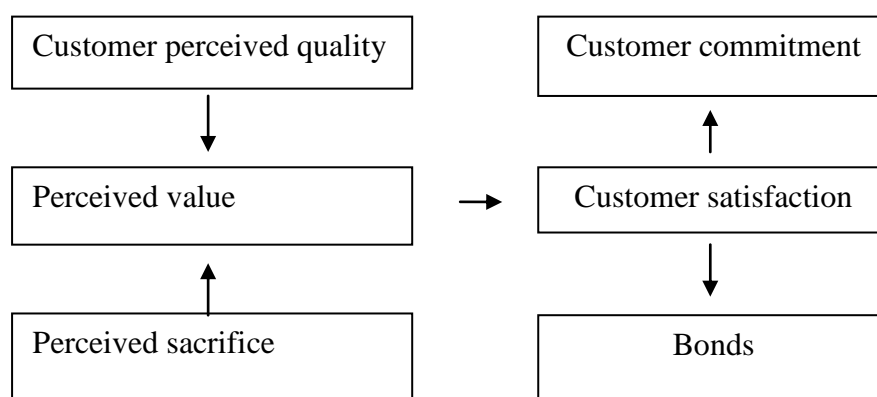
Customer satisfaction is a continuous research target, which aims to produce information as accurately as possible about customer satisfaction and the reasons for satisfaction or potential dissatisfaction. Continuous research means research, which is done continually or at regular intervals (Rope & Pöllänen 1998, 85)

The follow-up of customer satisfaction is not always enough. Customers will not become more satisfied even if they are asked to give continual feedback about the level of satisfaction. The more the organization is interested in the opinions of customers, the higher expectations the customers will have. The customers expect the survey to bring results which can be seen as better service quality (Ylikoski 1999, 149-150).

A common assumption is that customer satisfaction and improvements in quality walk hand in hand. Some theories suggest that good inner services will increase the amount of satisfied employees. When employees are satisfied they do not want to change their employers and this will lead to a better quality of services. (Gummesson 2008, 258)

The company will succeed better if they understand the value production and processes of their customers. Knowhow is not achieved only by listening; it requires a genuine understanding of customers. Companies should be aware what is valuable to their customers, what the customers want and how they are, as a serving company, able to help their own customers to achieve their goals. (Strorbacka & Lehtinen 1999, 15)

According to Gröönroos; "*Value is perceived by customers in their internal processes and in interactions with suppliers or service providers when consuming or making use of services, goods, information, personal contacts, recovery and other elements of ongoing relationship*" (Grönnroos 2001, 140) A service company should study what important features and attributes the customers value about their services and measure the perception of those features. ((Zetihaml, Bitner & Dwayne 2006, 111)

Customer perceived quality		Customer commitment

Perceived value	→	Customer satisfaction

Perceived sacrifice		Bonds

Figure 10. Relationship profitability model (Gummesson 2008, 260) (Revised by author)

A perceived value can be seen as an outcome of customer-perceived quality and the customer's sacrifice. A perceived value is precedent to customer satisfaction and it also has an effect on the commitment of customer behavior as well to bonds to the supplier. (Gummesson 2008, 260-261). Gaining new customers can be hard and it is pointed out to be extremely expensive. There is a connection between customer satisfaction and the profitability of a company. Satisfied, loyal customers will purchase more - and more often than new, unpredictable customers (Lotti 1994, 183).

According to Storbacka, the value creation is the heart of all business activities. The supplier needs to learn how to promote the value production processes as the value of relationship itself is formed during these processes. The affecting factors are the products or services and their usability. How will the relationship or the service itself help the customers in their own targets and their relationships to their own customers? Value needs to be determined based on the value production possibilities the relationship will bring to its customers. (Storbacka 1999, 35)

III.   EMPIRICAL STUDY

6   CUSTOMER SATISFACTION SURVEY

6.1   Specifying the Aim of the Research

The research problem and the target of the research are usually indefinite in the beginning of research. The problem should be determined so that empirical research is possible to carry out. It is not always easy to describe how the actual specifying happens, and it requires creativity and imagination. (Uusitalo 1991, 58)

The aim of the research is to determine how Finnish companies have experienced the quality of Chinese labor compared to the quality of Finnish labor. In the research, I want to study if Finnish companies are satisfied or dissatisfied and how their satisfaction could be improved. What are the things customers are satisfied with, and how labor cultures differ from each other?

6.2   Timetable for Research

I started writing this thesis in spring 2008, while finishing my last study courses in Vaasa. In May, I moved to the capital city and started a full time job. I continue writing in March 2009 and the main features of theoretical study were finished after a few months. The interviews were made in two parts, first in May 2009, and the two others in October 2009. Summer holidays delayed the schedule of the two last interviews; even they were agreed to via e-mail with three respondents beforehand. Writing down and analyzing personal interviews was more time consuming than I had thought, and it took a month to do it. The work was finally finished in the November 2009.

6.3   The choice of Research Method

Writing a thesis is a project, which takes time and requires planning. Planning is maybe the most important and crucial factor during the whole research process. Specifying the research problem happens in stages; during the evaluation of theory and in qualitative research, also during the empirical study.

The research problem should present question, or questions and the results of the research should give answer to those questions. The research problem should be the determinative element of research composition. The research problem determines how the material is analyzed and the material itself determines the research methods. (Uusitalo 1991, 50

A qualitative research method is chosen for the study as the aim is to understand the answers of the respondents. Plenty of theory has been written about cultural differences, labor quality and the measurement of satisfaction. Theory walks hand in hand with the empirical analyses during the whole research.

The first section of the interviews concentrated on cultural differences and they were compared with the help of Geert Hofstede's cultural dimensions. For the second part I decided to choose the components from the SERVQUAL as the foundation of the interviews as it is one of the most famous instruments for measuring how customers perceive the quality of services. All components were not suitable for this research and the inappropriate ones were left out. The third section contains only few questions concerning co-operation between Universities of Applied Sciences and Finnish companies.

6.4   Qualitative Research

Scientific research can be divided in two different research methods: qualitative and quantitative. These two differ from each other significantly. In a quantitative research, it is important that the data can be represented statistically based on the group observed. Quantitative research methods are highly standardized statistical analyses that can be modified into different kinds of questionnaires. In a qualitative research, the aim is to represent the theoretical representativeness, meaning the essential figures of research problems should be presented in the theoretical study. When comparing qualitative and quantitative research it can be said that qualitative research is more strongly linked to theory, which makes it more dependent on the abilities and creativity of the researcher. (Uusitalo 1991, 80-82)

The choice between qualitative and quantitative research is dependent on the nature of the phenomena under research. The target can either be singular, (one time) or generic (general, phenomena). A singular phenomenon is some specific event or chain of events that can be individualized. Generic phenomenon refers to a category of phenomena. Qualitative research is more suitable when investigating singular phenomena as they are unique. (Uusitalo 1991, 79-80)

Qualitative research describes different events better than a quantitative research does. Qualitative research produces more individual information and gain understanding about the phenomena under investigation. The power of a qualitative research is, in particular, the development of theory, while a quantitative research stresses the testing and trying out of different theories. (Uusitalo 1991, 82)

A qualitative research is commonly associated with inductive logic. Inductive logic means the logic of the phenomena under investigation. Using the prevailing information and theory as a "Pre- understanding" is also common for inductive logic. (Likitalo, 1998, 11)

6.5 Planning the Content for the Interviews

There are different kinds of interview types. One type is form interview, the second one is an open interview and the third one is called theme interview. In the form interviews, the shape of questions and statements are strictly defined, and the order of appearance is entirely same. In open interviews the subject is determined beforehand and the interviews can be compared to conversations. Open interviews are very time-consuming and they may require several contacts with the interviewee. A theme interview is like an intermediate of the two previously mentioned types. In a theme interview the subject; themes, are mentioned, but the precise shape and order of questions are missing. (Hirsjärvi, Remes & Sajavaara. 2004, 195–197)

Questions one to five are presented in order to receive basic information about interviewees and Chinese employees. Following questions in section one are re-

lated to culture dimension. Question six is related to power distance, questions seven and eight to masculinity vs. femininity, questions nine and ten to individualism vs. collectivism, questions eleven, twelve and thirteen to uncertainty avoidance and finally question fourteen to long-term vs. short-term orientation.

6.5.1 Theme Interviews

It is essential for a half structured interview that all interviewees hear similar questions approximately in the same order. Still, it is possible to change the order of interview questions, and this is possible with theme interviews. An interview that is partly structured and partly open can be placed between a fully structured form interview and a theme interview. (Hirsjärvi & Hurme 2000, 47)

It is common that while making the first thesis, the interview reminds half structured interview. The themes of interviews can be found, but there are also some specific answers that are presented to interviewees. a half structured interview is suitable for situations, where the researcher wants to gain knowledge on some specific issues. (http://www.fsd.uta.fi/menetelmaopetus/kvali/L6_3_3.html)

6.5.2 Qualitative Interviewing

Through qualitative interviewing it is possible to understand experiences and reconstruct events never participated. Qualitative interviewing is a good way to describe social processes. Qualitative interviews could be described to be conversations where the researcher guides the respondent in a wider discussion. The researcher tries to allure details about the topic by following the answers of an interviewee. (Rubin and Rubin 2005, 3-4)

6.5.3 Depth of understanding

The aim of depth interviewing is a deep understanding of the issue that is being studied. In order to reach depth understanding, the interviewer has to ask more questions about what is heard. Questioning and the design of the interview must remain flexible in order to help the respondent to produce new information. The researcher creates new questions based on earlier answers from the respondent,

which means that he or she needs to do evaluation work during the interview. The intended questions may be changed during the interview if the interviewee goes into a different, but a relevant, direction. (Rubin and Rubin 2005, 35)

6.5.4 Characteristics of the Responsive Interviewing

Responsive interviewing has an influence on how the research is planned. It is related to research questions and it links the research questions to the research problem. As responsive interviewing concentrates on finding out how people evaluate their experiences. It is also important to find the right interviewees who will provide useful information. The key characteristics of responsive interviewing can be seen below:

- The interviewer obtains the interpretations of the respondents about their experiences and their understandings
- The interviewer's view of life matter; she or he must be aware of it. While making an interview the opinions, experiences and even prejudices are exchanged between the interviewer and interviewee
- While making the interview, a personal relationship is formed between the parties. Sometimes there might be private or even dangerous information exchanged during the conversations, which leads to the protection of the interviewee's opinions.
- The interviewer should remain as impartial as possible during the interview. It is important that the interviewer offers broad enough questions so that the interviewee is not forced to answer what the interviewer wants to hear or is thought to hear before actually hearing the answers.
- The structure of responsive interviewing is flexible and adaptive. The interviewer should be able to adapt to situations where the course of the interview can change based on what the interviewees tell. (Rubin and Rubin 2005, 36-37)

6.6   Implementing the Interview

Before making the actual interview there are certain practical issues that needs to be solved. The interviewer needs to decide the timetable and place for interviews as well the estimated duration of interview. (Hirsijärvi, Hurme 2000,73)

When the interviewee and the interviewer meet it can be called a moment of truth. The interviewee evaluates the interviewee and after that he decides whether answers are replied. Sometimes interviewees are not willing to answer to very personal or detailed questions and interviewer needs to allure and motive the interviewer to answer. The interviewer need to give as much information as possible to the interviewees and it should be mentioned that an interview is always voluntary. The quality of results is dependent on the choice of interviewees, their educational background and the formation of questions. (Lahtinen, Isoviita 2002, 87; Heikkilä 1999, 66)

The questions for this study were formed partly based on theories of theme interviews and party with qualitative interviews, as I thought it would be the best way to find the answers to the research problem. The questions were asked in similar order, but more questions were asked if I saw that it was necessarily. This means that that the course of interviews may have changed during some questions and some questions were asked in a different order.

The main idea was to ask for the names and contact information of the graduated Chinese students from the international office of Vaasa University of Applied Sciences. The original plan was to investigate students who have graduated from Vaasa University of Applied Sciences. This was not possible because of a privacy shield. Because of this, I decided to use my own contacts instead, managing to find five different Chinese employees who worked in Finnish companies and had graduated from the Universities of Applied Sciences. Three out five employees gave me the contact information of their superiors. The requests for interviews were sent via e-mail. Attached there was a short presentation about the objectives of the research problem.

One interview took about 40 minutes on an average, and answers were copy-typed straight after the interview was conducted. Many questions were formed so that the interviewees were asked to compare Chinese and Finnish labor cultures and that is the reason why answers were very quick to record. Two interviews were made by phone, but because of modern technology and hand-free devices, I was able to type the answers on a computer simultaneously. The questions presented were formed beforehand based on three different themes. The questions were the supporting pillars in the interviews but every single interview was different and also more precise questions were asked when they were needed.

6.7 Validity

Validity in research means measuring the things that are to be investigated. Factors that influence the validity of the research are the formulation of questions, the options given to the respondents and the way the questions were asked from the respondent. If the research is carried out by interviewing the respondents, the leading effect of interviewer weakens the validity. (Rope, Pöllänen 1994, 83)

Qualitative material and the meanings found from it are dependent on how they correspond to the expressions the interviewee gives in the research and how they correspond to the theoretical framework. A qualitative research stresses the validity of interpretation. The validity in data means that it should be authentic and when the interviewees are talking as they are supposed to, the interviewer can verify the validity. Data should also be relevant, meaning that the formulation of the problem can be seen as the background regarding to theoretical concepts. The conclusions are valid when they respond to the research question, meaning that the researcher has not over-interpreted the expressions of interviewees. The validity of the conclusion is also dependent on the relevancy of the interpreted meanings, based on theoretical framework. When the theoretical framework is consistently on the mind of the researcher, the relevancy will come true. (Syrjälä, Ahonen, Syrjäläinen, Saari 1994, 129-130)

6.8   Criticism of Data Collection

When information is gathered for analyzing, some mistakes may take place during the process. No matter how good the analyzing method, mistakes have already happened e.g. because of the wrong choices of the interviewees, the interviewer himself or some human errors while recording the data. In order to succeed in a customer satisfaction research, the researcher should be aware of these problems. (Burns & Bush 2005, 35)
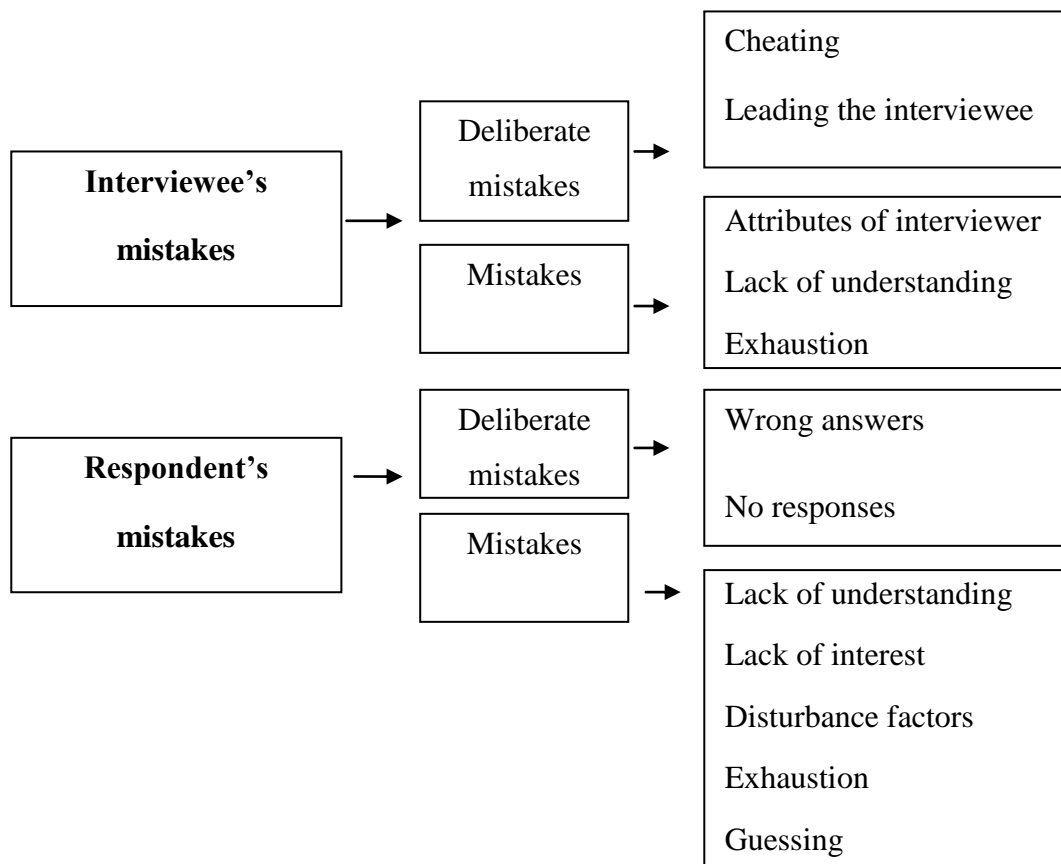
Figure 11. Possible mistakes in data collection (Burn & Bush 2005, 401) (Revised by author)

7   RESULTS OF THE STUDY

7.1   Basic Information

The first interview for company A was made on the 20th of May 2009 while the two other interviews for companies B and C took place on the 13th of October 2009. The interviews for companies A and B were made on the phone; only the interview with company C was made face to face. The reason for the phone interviews was the geographical distance and the reason that I was not able to travel due to a full-time job.

No names are mentioned because of a privacy shield. Someone might take the criticism of the interviewees too personally and therefore the research is talking about company A, employee B or interviewee C, etc.

Company A is a service software and media company. The interviewee from company A is the CEO of the company, and he is the supervisor of employee A. The employee in company A has been working in the company for approximately two and half years. He entered the company via practical training and is now working as a Partner Manager.

Company B is working in power and automation technology. The interviewee from company B is working as Training and Channel Manager and is a supervisor of employee B. The Chinese employee in company B has worked in the company also for two and a half years and she entered to the company via practical training. She started her practical training in a different city in 2006 from where she later on got transferred to her current city in 2007. The employee in company B is working as a Product Training Coordinator.

Company C is an international provider of IT solutions and services to retailers and retail banking. The interviewee is working as a Software Manager and used to be a superior to employee B in the past. The current supervisor of employee B has only been working in the company for a few months and I thought it is more rea-

sonable to interview the former superior, who is still co-operating with employee B to a large extent. The Chinese employee has been working in the company C as a Software Designer for almost four years, at first through a rental agency and currently as a permanent employee.

Companies A and B had previous experience of Chinese labor culture as both interviewees had worked with the Chinese employees before. The interviewee from company A had worked with Chinese colleagues and customers in his previous job before hiring Chinese labor to his own company. The interviewee from company B had worked in Asia and travelled a lot in China. Only the interviewee from company C mentioned that he had no previous experience of the Chinese labor culture.

The employee from company A was hired via practical training as well employee B, who started her career via practical training inside the current company, but in a different city. The employee in company C was hired via a labor rental agency and after working a few years through the agency, he got a permanent vacancy. The interviewee from company A told me that Chinese students have been more active in applying for positions for practical training compared to Finnish students. The interviewee from company A told me that they have two Chinese employees with permanent positions and four as trainees. The interviewee from company C mentioned that they had had many Chinese applicants during the years, but he didn't mention anything special about their activity. Company C has two Chinese employees at the moment. The interviewee from company B said that they did not have a need for new employees and his experiences were based only on two Chinese employees, one of whom is a trainee. Company B differs from company A and C because there are no other Chinese or Finnish employees in the precisely similar position.

The interviewer was interested in knowing whether it was important if the employee had graduated from a University or from a University of Applied Sciences. In company A the interviewee said that it was not important, but he thought that

practical training gave the possibility to evaluate the employee before actually hiring him. The interviewee from company C said that it is really not that important and they also have some employees from universities working in similar positions. The interviewee from company B told me that he could not answer this question as the position was established to employee B. Employee B was transferred from another city and another department to this department as she already had the knowledge and skills required for this specific position.

Companies A and C both mentioned that international students from the Universities of Applied Sciences are usually ready for work straight after graduation but more tailor-trained degree programs would be in need. With tailor-trained workforce they mentioned that education is, perhaps, too narrow and unvaried.

7.2 Cultural differences

In the following paragraphs, Geert Hofstede's cultural dimensions are divided into sub-groups based on the answers of the interviewees. Some answers are linked between one or more dimensions.

7.2.1 Power Distance

According to the interviewee in company A, the Chinese keep more distance to their supervisor and the respect for them is much higher. The interviewee from company A gave an example where one of their new Chinese employees asked on his first day of work whether he can use the toilet during working hours or whether it should be done during the lunch break. He said that it would never even occur to Finnish employees to ask anything like that. The interviewee from company B also explained that respect towards superiors is higher compared to Finnish co-workers. The interviewee from company C mentioned that Chinese employees do not question the decisions of a superior while Finnish employees are more eager to express their opinions. The interviewee from company A told me that even if Chinese employees had good opinions about developing something they still would not say it out loud as it would mean they are bad employees. The intervie-

wee from company A explained that the Chinese employees who have worked in a western culture for a number of years have adopted to the fact that it is acceptable to express opinions.

Interviewee A told me that the Chinese prefer a high hierarchy organizational structure and they do not understand a low hierarchy. The titles and duties of the superiors should be listed and only one person should be responsible for certain issues. According to the interviewee from company A, it is hard for the Chinese to understand that one and the same person could be responsible for several sectors simultaneously.

The representatives of companies A and B both told me that when comparing Finnish and Chinese employees the Chinese need more guidance and more specific instructions. Company C did not agree. Companies A and B also said that if some problems arise, the Finns are more eager to ask for help. According to the interviewee from company A, the Chinese prefer to complete their tasks with the information given, as asking for help may be a sign of weakness. This was seen as a negative feature.

7.2.2   Masculinity

All interviewees agreed that it is more important for the Chinese employees to have a good relationship with their superiors. A good relationship with co-workers was also considered more important to Chinese employees. The interviewee from company C said that this might be due to the fact that they are working in a different culture and acceptance is more important.

The representatives of companies A and B thought that the Finns are more eager to advance in their careers, while the interviewee from company C said that the Finns and the Chinese are equal in this matter. All companies mentioned that advancement in a career is really hard to generalize because it depends on the personality of a given employee. The representatives of companies A and C thought that the Finns are more demanding when it comes to salary but the interviewee

from company B said that the Chinese can also demand a good salary. The interviewee from company A said that the Chinese are more eager to work and the work would be done even with a lower salary.

Question seven was claiming that a Finnish employee is said to appreciate more the quality of work and the quality of life, while Chinese employees focuses on tangibles. Representatives from companies A and B said this was true while representative from company C said he is not able to answer this question.

Companies A and B said that it is more important for the Chinese employees to have a permanent, continuous employment relationship. The interviewee from company A said that Finnish employees are more used to doing intermittent work in Finland while the interviewee from company C saw that the Finns are more demanding when it comes to a permanent job. In his opinion, Chinese employees are more willing to accept worse working conditions as they are not working in their own culture.

7.2.3 Individualism versus Collectivism

All companies said that the Finnish employees consider it is more important that their job is challenging. According to the interviewee from company A, the Chinese employees are more willing to perform routine tasks.

Representatives from all companies told that Finnish employees were more demanding of their physical working environment. The interviewee from company C said that the Finnish employees tend to express their feelings if they are not satisfied with their working facilities, but the Chinese never complain about such issues.

According to representative from company A, Finnish employees are more demanding about training opportunities while companies B and C thought this was equally important to Finnish and Chinese employees.

All representatives said that it is more important for the Finnish employees to be able to use their acquired knowhow at work. The interviewee from company C supposed that in some cases the Chinese employees may need to settle for inferior work because of their ethnic background.

Representatives from all companies thought that Finnish employees are more interested on how the work is carried out. According to the interviewee from company A, the Chinese employees do not question their task description like the Finnish employees do and they are willing to fulfill it as required.

The interviewee from company A claimed that the Chinese are better in networking and their company was really satisfied with it. The interviewee also said that the Finns tend to concentrate more on singular products/phenomena and not on the functionality, e.g. marketing the product to customers in this case. He stated that the Chinese mentality is much more suitable for creating sustainable, long-term business relationships. The interviewee from company C mentioned that they are satisfied with the fact that the Chinese employees work so well with their customers in the field.

These issues can be linked to individualism versus collectivism. The Chinese culture is more collectivistic compared to the Finnish culture and this is seen in the answers of the employers. In a collectivist culture, group cohesion is important, and, as the interviewee from company A mentioned, the Chinese mentality is more suitable for creating relationships.

7.2.4 Uncertainty avoidance

As mentioned earlier, the representatives of companies A and B both told that when comparing Finnish and Chinese employees the Chinese need more guidance and more specific instructions. Interviewee from company C could not agree this. He told that Finnish employees appreciate freedom at work.

Companies B and C said that their employees do not differ from Finnish employees when it comes to independent initiative. They both said that their employees are as self-reliant as their Finnish colleagues. The interviewee from company B said that things might be different if they worked in China. The opinions of the interviewee from company A differ greatly from those of the interviewees from companies B and C. It was mentioned already in the previous chapter that interviewee A thinks that the Chinese do not want to admit if they hesitate in problematic situations or if they do not have enough information about an issue. According to him, they prefer to stay quiet, not wanting to reveal their ignorance.

Interviewees from companies A and C told that Chinese employees don't like to disagree with management. Interviewee from company C told that Finns are more eager to express opinions.

7.2.5   Long-term orientation versus Short-term orientation

All three companies agreed that it is more important for Finnish employees to have enough spare time. Time with family was also considered more important by Finnish employees. Interviewees from company A, B and C told that freedom in work is more important to Finnish employees. Companies B and C both thought that Chinese and Finnish employees keep it important to have opportunity to learn new things at work. Company A claimed that it is more important to Finnish employees.

According to the interviewee from company A, the Chinese are much more disciplined and they work longer hours. They do not spend time on the Internet and the employer does not have to think that they avoid working at the moment they are not controlled. The interviewee from company C also agrees that the Chinese are more hard-working. The interviewee from company A told me that the Chinese live for their work and a job determines their position when they are outside the workplace, too.

7.3   Servqual determinants

In section two quality of labor between Chinese and Finnish employees was aimed to be compared. Satisfaction was not measured with any kinds of scale as the research was not based on quantitative figures. The interest is steered toward knowing what are the areas in which the Chinese and the Finnish employees were satisfied or dissatisfied with, and why.

7.3.1   Reliability

According to the interviewee from company A, Chinese employees are more reliable when it comes to accomplishing the task. In his opinion, when a certain task is assigned to a Chinese person, he can be sure it will be carried out. The interviewee from company B also agrees with this claim. The interviewee from company C also told me that the Chinese are more conscientious compared to their Finnish colleagues. He gave an example that the employees need to keep track of the hours that are invoiced from their customer and the Finnish employees are always late in doing so and they need several reminders, as the Chinese do things exactly as they are asked to. The respondent from company A mentioned that the Chinese are more hard-working and they have much higher work ethics compared to their Finnish colleagues. All companies told that Chinese employees are better what comes to obeying rules and regulations at workplace. The interviewee from company C says that the Chinese employees are more responsible.

The interviewee from company A, claims that when a certain task is assigned to Finnish and Chinese employees, the Finns are better at giving a structure to their task, while the Chinese need much more accurate instructions. The interviewee from company B also states that the Chinese need more accurate instructions. The interviewee from company A mentioned that it is much harder for the Chinese to ask for help if they do not understand the task. However, all companies said that if the assigned task is determined accurately enough, a Chinese person is more responsible in doing it.

The interviewee from company B had two employees both of whom were different when it came to a need for guidance. He still agreed that guidance was also considered important by his Chinese employees. Company C told me that he had not seen any difference between Finnish and Chinese employees when it came to the need for guidance. In his opinion, Chinese employees had adapted to the Finnish labor culture extremely well.

7.3.2 Responsiveness

When the respondents were asked to compare the scheduling habit of Chinese and Finnish employees, all companies said that the Chinese are always on time and accomplish the required task inside the required time frame. The interviewees from all the companies agreed that the Chinese are more willing to work extra hours in case the task requires it. Actually, the interviewee from company A mentioned that the Chinese would work as much as they were supposed to. The interviewee from company A gave an example where a Chinese worker and a Finn had a similar project with a two-week deadline. He said that for a Chinese employee it would be extremely important to return the results within the timeframe and that he would already do it within a week. According to the interviewee, deadlines must be kept by the Chinese even if quality suffers. A Finnish employee is described to be quite the opposite. According to the interviewee from company A, Finnish employees are worse at keeping deadlines and sometimes even a few extra days are required. The biggest difference is obviously the quality of the outcome. The Finns are more interested in the outcome while the Chinese do not want to lose their face by missing the deadline. The opinion of the interviewee from company B was similar to that of the interviewee company A. The interviewee from company A says that it is harder for the Chinese to see the holistic picture of work. Independent problem solution is considered to be easier for the Finns compared to Chinese employees, interviewees from companies A, B and C say. When I asked about how Chinese people react of new situations or innovations the answer from company A was that usually they don't comment anything, even if something would bother them. Interviewee from company B told they have not had any problems and interviewee from company C agreed the opinions

of company A. He said that maybe Chinese don't want to say anything as they are afraid to lose their job.

When asked to compare the ability to handle pressure, the interviewee from company A said that the Chinese master it better while companies B and C told me that it was impossible to compare it.

7.3.3 Competence

All three companies agreed that the Chinese employees were qualified for their positions on the basis of their educational backgrounds. The interviewee from company A said that he still believes that a Finnish employee who does not possess previous working experience from the field is more qualified after graduation. The interviewee from company B said that technical quality was considered really good but independent problem resolution was seen as a problem. Interviewee from company A agrees this. The interviewee from company C told that he could not see any difference between the Chinese and the Finnish employees in these issues. The versatility of Chinese and Finnish employees divided opinions. The interviewee from company A said that Finnish employees are more versatile as they are easier to relocate to different tasks. He says that the Finns adjust themselves faster and orientate themselves to new assignments much more easily. According to interviewee A, the Chinese are really orientated to the task assigned, but, at the same time, they are more narrow-minded than Finnish employees. The interviewee from company B mentioned that they had benefited from the versatility of the Chinese employee because of different interpretation and translations works. Company C did not have anything to say about this question.

7.3.4 Courtesy

All three companies agree that the Chinese are much more polite than the Finnish employees. As already mentioned, the study promotes the fact that the Chinese never want to judge or question the decisions of their superiors as this would be

seen as impolite behavior. The interviewee from company C wanted to emphasize that everything that involves courtesy, good manners, or kindness, are seen as positive nominators of the Chinese employees. The interviewee from company A thought that the communication of their Finnish employees is much more coarse and the interviewee from company C mentioned the same thing. The interviewee from company A said that their Chinese employees just give a much better picture of themselves than the Finns do. The interviewee from company B said that the Chinese are more helpful than the Finnish employees. The interviewee from company A said that when looking at a holistic picture, the Chinese get along better and they create a good atmosphere at their workplace. The interviewee from company C said that employee C is more social than his Finnish colleagues.

7.3.5 Communication

The main idea for communication is that different parties in business are able to interact so that everyone becomes correctly understood. The interviewee from company A criticized the language skills of the Chinese employees. He also said that the Finnish employees write better English and, thus, he would recommend more language courses to international students. The interviewee from company C said that employee C hardly speaks Finnish and it is the beginner level. As English is the corporate language, which is used in nearly all the projects in company C, the interviewee said that this has not been seen as a problem. However, he believed that it would be easier for employee C to adapt himself to the Finnish culture and socialize if he knew the Finnish language. The interviewee from company B told me that their unit communicates in English and language barriers have not been seen. Interviewee from company C said that their Chinese employee is better what comes to communicating with customers compared to many Finnish colleagues.

7.3.6 Understanding the Customer

The interviewee from company A was very satisfied with the fact that his Chinese employees have strengthened the reputation of his company by hard work. He

says that the Chinese are more loyal compared to the Finnish employees. He argues that the Chinese are also more committed to their employer and they want to work for the same employer for a longer period of time. The interviewee from company C also mentioned that they prefer sending their Chinese employee to situations where they are in contact with the company's own customers as their manners are exemplary.

7.3.7 Satisfaction toward Universities of Applied Sciences

All companies said that they were satisfied with the amount of Chinese labor Universities of Applied Sciences offer to labor markets. Company B answered that Universities of Applied Sciences understand the need of labor markets what comes to international labor, when company C disagree this. He promotes the idea of more tailor-made labor, claiming that education is steered too much to mainstream. When I asked what he means about this, he mentioned e.g. different kind of software programs that are common in companies, and still they are not taught to use in schools. Interviewee from company A was moving in the same territory as he told that many times schools are behind the development as they should be the pioneers in the field. When asking about the content of studies, all companies said that they were not aware of the content of degree programs. Interviewee C told that Universities of Applied Sciences should market or promote the content of degree programs better as e.g. people in his generation don't know the concept of Universities of Applied Sciences; they are more familiar with Universities. Interviewee from company B told that if the employee has studied e.g. international business it promote the idea that employee is interested of those things, and that is enough. Also interviewee from company A said that he usually looks the degree program of applicant, not the content of it. Companies A and C thought that schools should work more closely with Finnish companies.

8   CONCLUSION AND SUMMARY OF RESULTS

The nature of this research was not to make any generalizations as there were only three case companies involved. The main idea was to understand and interpret the answers of the respondents. What needs to be emphasized is that the theoretical framework was a tool for collecting and interpreting information.

At the beginning, I thought that knowing the culture would increase customer satisfaction. Now it seems clear that it is actually impossible to form an opinion on the subject, as it would be done based on my own interpretations. This means every respondent may have been interpreted differently because of situational factors, lack of knowledge or wrongly presented questions.

All companies had different backgrounds, but company C differs most from the two others as the interviewee did not possess previous experience from the Chinese working life and labor culture. Companies A and B had worked with Chinese partners or customers before, so they had different personal service expectations compared to company C who did not have previous experience of the Chinese culture. Because of this, I believe that all three companies had different assumptions about what Chinese labor quality would be like. The fact that the interviewee from company C may have formed his opinions about Chinese labor based on the opinions of other people, may also influence the quality of the desired service. According to the results, company C criticized Chinese labor less than companies A and B and company A had the greatest number of opinions.

Company A said that Chinese employees need more specific instructions in order to accomplish their tasks. As a result, more specific instructions were given in order to achieve better results. After comparing this to the theory, I understand that it is easier to change the practices after understanding the rituals.

The study reveals that, in some sense, the the Chinese employees tend to keep more distance to their employers compared to their Finnish colleagues. Companies A and C thought that Chinese employees do not want to disagree with their superiors. According to company A, the Chinese employees are not willing to

question the decisions or voice their opinions even if they had good arguments. This was seen as a negative factor. The interviewee from company A said that the Chinese employees who had worked in Finland for a longer period of time had adapted to the art of criticism, little by little. The interviewee from company C said that his employee has settled well to the Finnish labor culture, but it is important to remember that this employee has been working in a Finnish company longer than the others - nearly twice as long. Chapter 2 in theory suggests that values are learned in the early stage of our lives and they are hard to change, which would only support the idea.

Results about masculinity were very interesting as the Finnish culture does not prefer masculinity when talking about self-centeredness, materials or individual achievements. Masculinity in the Chinese culture is nearly three times as high as in Finland, which seems to turn upside down in this research. I think this is due working in a different, strange culture.

The reason that the Chinese employees may need to accept worse working conditions in Finland might be one of the major reasons why so many Chinese students return to China after graduation. The Chinese are better at avoiding uncertainty based on Geert Hofstede's study, but working in a different culture may change the settings. According to companies A and B, the Chinese value a permanent job more, which may be due to the masculinity of their culture as it can be seen as a better result than a part-time job. This was also mentioned in the recommendation for further research. As for the uncertainty avoidance index, the Finns should be more concerned about the duration of their employment relationship, because they score lower than China.

Gap analysis is one way of measuring service quality and even if it was not the main tool in this research, it gave some good aspects to the interviews and helped me to make some conclusions on the results. Gap 1 is due to inadequate information between the customers and the management. Companies A and C both said that companies and the Universities of Applied Sciences could do more co-operation and labor could be more tailored. I think that there is a contradiction in

this issue. When companies were asked if they knew the content of degree programs, their Chinese employees had completed, the answer was no. Criticism towards schools is quite harsh considering that companies do not actually know how tailored the programs are. Gap 2 stresses the importance that schools should listen to companies and their comments about the quality of labor. Stating Gröönroos; "*Quality as perceived by customers is such a vital success factory today, certainly in service competition, that it is imperative that commitment to quality ranks high on the priority list of management*". *(Gröönroos 2000, 103)* Gap 3 describes the issues that the companies were not satisfied with concerning Chinese labor. Quality specifications that were not met by performance in the service delivery process were those defects interviewees mentioned during the interviews. Gap 3 helped the interviewee to understand why literature says that it is not necessary to measure expectations beforehand. According to Gröönroos; "*It does not necessarily make sense to measure expectations prior to the service experience either, because the expectations which customers have beforehand are perhaps not the expectations with which they will compare their experiences.*" (Gröönroos 2000, 78) With this statement in mind, I thought that expectations, whether they were fulfilled or not, were unveiled during the interviews.

I think it is extremely difficult to compact the answers of interviewees or say shortly how Finnish companies perceived the quality of Chinese labor. Answers of three companies differ from each other and comparisons are presented in chapter 7.

8.1   Validity of Study

It is possible that both parties make mistakes during the interview. The mistakes can already be made before the interviews even start, in case the interviewer has created incorrect questions, chosen the wrong interviewees or has not managed to find suitable candidates. Burns and Bush suggest that exhaustion and a lack of understanding are possible mistakes both parties make.

All three interviewees were different and had different styles of answering the questions. The first interview with company A was the most comprehensive, as the respondent was the most open and liked to share his ideas. The employee from company A was the only one I had ever met and this was mentioned during the interview. The interviewee from company C was interviewed face to face, which might also affect the honesty and openness of the answers. The fact that the interviewee from company A had plenty of experience of the Chinese labor culture can also be an influencing factor.

Responsive interviewing is listening and understanding the interviewee. When the interviewer is asking questions, she needs to be able to digest the answers of the respondents simultaneously - some questions were already answered during a previous question, due to the fact that many questions were connected.

Satisfaction with labor is quite a personal issue, which created challenges. The interviewees were aware that the names of employees or companies were not mentioned in the results. The employee from company B is a friend of mine, which might have influenced the answers of the interviewee from company B. I believe that the study would have brought better results if all parties had been anonymous to each other.

9   RECOMMENDATION FOR FURTHER RESEARCH

The research revealed many interesting facts about Chinese workforce. One fact was that when I tried to reach former Chinese students from the Vaasa University of Applied Sciences, I noticed that quite a few have actually worked in Finland.

According to interviewee from company C, Chinese employees may need to accept worse working conditions in Finland. I think this might be one of the reasons why so many Chinese students return to China after graduation. It would be very interesting to investigate why so many Chinese students move away from Finland and what are the actual reasons for that.

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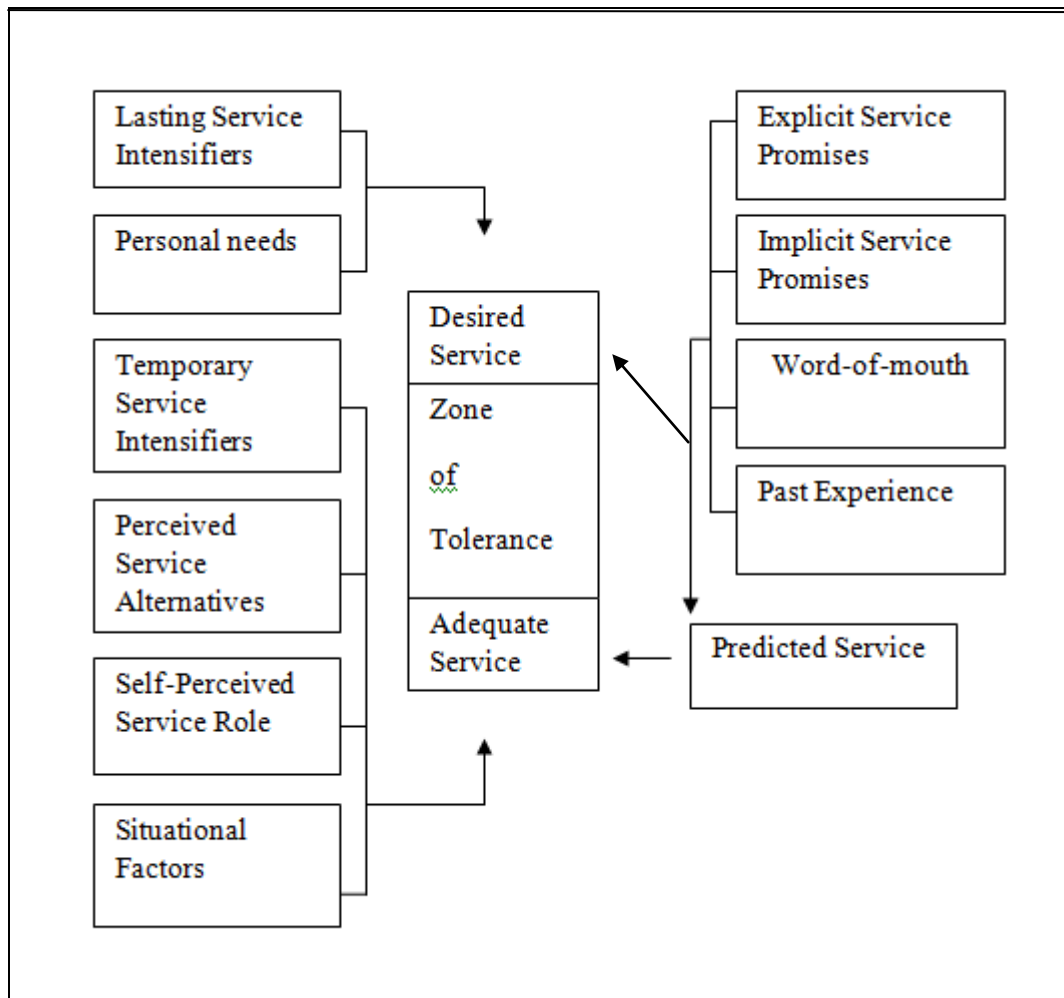
E-Publications (in order of appearance)
http://www.kwintessential.co.uk/cultural-services/articles/intercultural-iceberg-model.html)
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http://www.fsd.uta.fi/menetelmaopetus/kvali/L6_3_3.html

Figure 4. Factors affecting desired and predicted service (Zeithaml, Bitner & Dwayne 2006, 93)
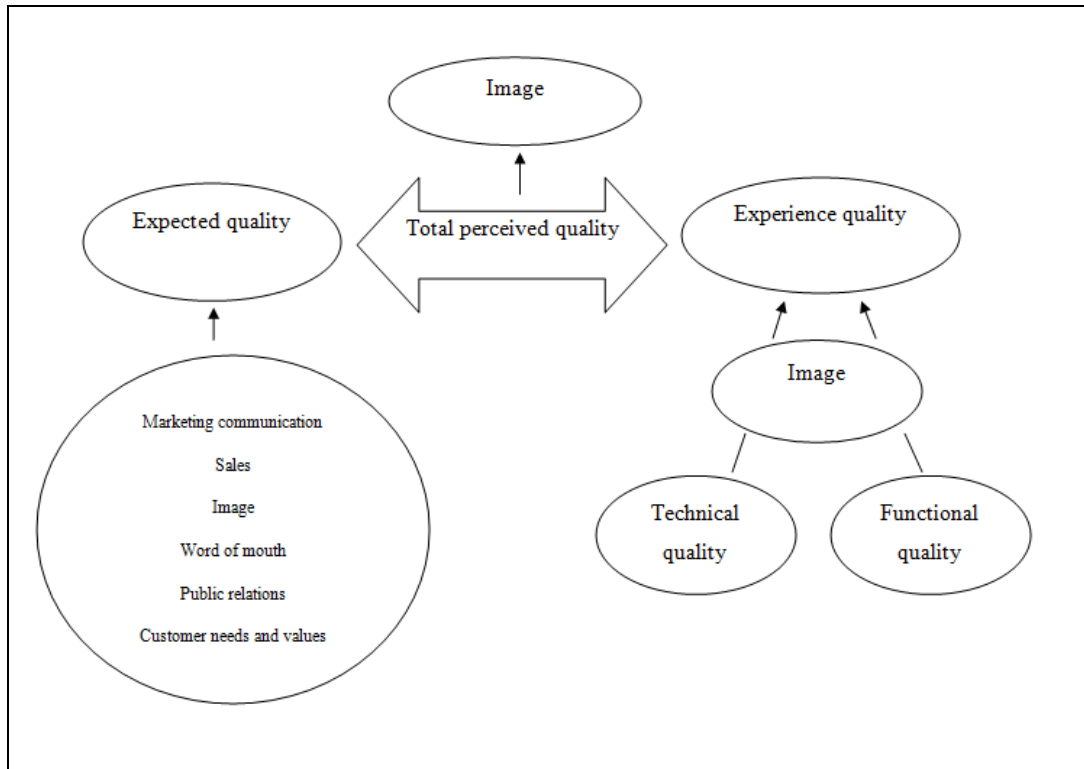
Figure 7. Total perceived quality (Gröönroos 2000, 67)

Theme for questions in section 1 is related to cultural differences while theme in section 2 concentrates on quality of labor. Section 3 shortly asks about opinions about Universities of Applied Sciences as providers of international labor.

SECTION 1

1. Can you tell your experiences toward Chinese labor culture before hiring X? Were there any expectations? If you had some previous experience did that influence your decisions?

2. When you hired X, did that happen via practical training or did X apply like any other applicant? If neither, how?

3. How long has X worked in your company?

4. When you hired an employee for the position where X is now working, was it important that the candidate was graduated from a University of Applied Scienve? Is there someone working in similar position with degree from a university?

5. Have you ever been in similar position where X is at the moment? Have you done the same work?

6. In the Chinese culture the relationship between the employer and the employee is more distant compared to the Finnish culture. The employee is waiting more orders and not so much changing of ideas. Also, the need of physical presence and guiding from superior are more general in the Chinese labor culture. How do you see this claim?

7. A Finnish employee is said to appreciate more the quality of work and the quality of life, while Chinese employee focuses on tangibles. What do you think about this?

8. Thinks that are important to:

   1. Have a good relationship with management
   2. Have a good relationship with co-workers
   3. Have reliable place of working
   4. Have possibilities to advance in career
   5. Get the deserved attention from work that is done well
   6. Have a good salary

   7. Have a permanent vacancy

9. Finnish labor culture is said to be more individualistic than Chinese labor culture, as employees are more self centered, while in the Chinese la-

bor culture employees prefer team spirit and prefers to leave their own interests behind. How do you see this claim?

10. Keep important that:

    1. Work is challenging
    2. Value good physical environment to work on
    3. Appreciates the possibility to for re-education
    4. Use education/knowing how at work
    5. Freedom to decide how you do your work

11. Need for guiding is common in the Chinese labor culture, while Finns prefer more individual grasp to work. Can you give me your opinion about this?

12. In the Chinese culture independent initiative is not a virtue. Can this be seen in Chinese employees?

13. How Finnish and Chinese employees express themselves if they disagree with management? Do they have opinions, and do they dare to express them?

14. When the following questions are answered I kindly ask you to compare Chinese and   Finnish employees who are in similar positions (or they do similar work).

Keeps important that:

    1. There is enough spare time after work for self and close family
    2. Get the deserved attention from work that is done well
    3. Can learn new things

SECTION 2

Do the below statements describe the Chinese or the Finnish employee, Why?

1. Reliability

* When a certain task is given to an employee, the employer can trust it is done without instructions or surveillance. (Responsibility, conscientiousness and work ethic)

*Work is done according to instructions and it is done correctly starting from the beginning. (Accuracy and punctuality)

*The employer can trust that employee is unprompted and is able to make independent decisions.

* The employee is following the rules and regulations at work

2. Responsiveness

*The employee is willing and able to finish his work in a given timeframe. Employee is, for example, willing to work extra hours in order to finish his task.

*The employee is motivated to work

*The employee can use his own creativity and reach the goal without specific instructions.

*The employee has ability to handle pressure.

*How does employee see innovations or new things in work place? Is attitude negative or positive?

*Has there been any conflict because of cultural differences, if, what, and how they are solved?

3. Competence

* The employee is possessing skills and knowledge that was expected based on his education.

*The employee is having holistic picture about his work, different sub-areas and expectations required at his position.

*The employee is able to use his skills more extensive than just in his own position. E.g. language skills, is there any advantage of it? This means employees usability in different situations and tasks, diversity.

*The employee can easily jump from one work phase to another.

4. *Understanding the Customer*

*The employee has genuine interest to understand co-workers, job descriptions, superior and customers. Employee understands the qualifications needed at work and carries them out in best possible way.

* Problem solution= understanding and deepening the understanding,

* Employee is committed to create quality, whatever it means in his job description.

5. Communication

* The employee is able to express himself to superior, co-workers, customers and is able to listen and receive information.

* The employee possess the skills company requires for external communication e.g. with possible clients, current clients etc.

* How does the Chinese employee communicate with co-workers, does it differ from Finnish employee?

*Have you observed any language barriers? Does it make communicating, sharing ideas etc. harder?

6. Courtesy

*Attitude toward superior, co-workers, customers. Have you noticed any difference between the Chinese and the Finnish employees?

* Behavior, courtesy, friendliness

SECTION 3

1. Are you satisfied with the amount of Chinese labor available in the labor markets, do you think that Universities of Applied Sciences produce enough Chinese employees?
2. Do you think that Universities of Applied Sciences understand the need of the labor market what comes to international labor?
3. How close collaboration do you do with Universities of Applied Sciences and what do you think about the content of education?
4. Do you think that Universities of Applied Sciences provide enough tailor-trained international labor?
5. Do you think that Finnish companies should be aware of the content of degree programs?