

Organizational Culture and Workplace Communication:

The Relationship of Organizational Culture and Leader-Member Exchange

Yue Qian^{1,a,*}

¹*Hong Kong Baptist University, KLN, HK*

a.renaqy@hotmail.com

**corresponding author*

Abstract: Organizational culture and the leader-member exchange (LMX) were two recognized factors that can influence the job satisfactory, working out come and even the success of a modern company. This study aims at investigating how organizational communication can influence the leader-member exchange. By deeply observation and interviewing leaders and members in a Chinese company-Smart Education Company, the study finds out that a powerful but still benevolent boss has the most impact on the exchange process. Other different cultural dimensions can influence the leader-member exchange in different ways. All kings of exchange can be influenced by organizational culture.

Keywords: LMX, Organizational culture, GLOBE cultural dimensions

1. Introduction

1.1. Smart Education Profile

Smart Education is a company that provide e-learning solutions. The company was established and is owned by Mr. Kevin Chan and Mrs. Elsa Tsang, who are a couple, since 2007. The company's business is including English, Chinese and Mathematics e-learning programmes, curriculum-based e-learning resources, mimio interactive teaching technologies and school-based e-learning packs in Greater China region. Smart Education is also the Educational Testing Service's (ETS) official representative of the TOEIC Tests in Hong Kong and Macao.

Since Smart Education is not a big company, the organization structure is very not complex. The company has three organizational levels. The top level is the President, Mr. Kevin Chan, who is mainly in charge of the company's operation, and the CEO, Mrs. Elsa Tsang, whose work mainly towards the market and in charge of the Foundation. People in the middle management level are nine department managers, and each department contains several employees who construct the low level of the

organization. With the help from Mr. Chan, this study is able to study the organizational culture and workplace communication of Smart Education. Mr. Chan also hope that this study can help him in improving the management of his company by recognizing some weakness or problem that existed in the organizational culture and communication.

1.2. Research questions

Organizational culture is essential for modern companies. Keyton (2014, p. 550) even indicated that the culture of an organization can even influence the "staying and leaving" decisions of the members. Therefore, nine GLOBE cultural dimensions are introduced as analytical framework to study the organizational culture of Smart Education

RQ 1: How is the organizational culture of Smart Education, based on each of the nine cultural dimensions? which dimensions are more important in consisting the company culture?

Another important factor that influence the working environment is the relationship among people, in which leader-member exchange (LMX) theory (Graen & Scandura, 1987) claimed that LMX can also influence the job satisfactory and work out come. Therefore, the nature or an organization's LMX is also worth to study for the improvement of the company. As LMX has been a famous theory that focuses on the leader-member relationship, we borrowed part of the measurement of leader-member exchange as our analytical model to investigate the leader-member interaction within Smart Education.

RQ 2: What are exchanging among the leader and members in Smart Education?

Communication scholar has recognized the close relationship between communication and culture for a long time (Hall, 1959). Therefore, we believe that the culture of Smart Education have some influence on its LMX, and try to figure out the exact relationship. There are some previous studies that combine the organizational culture and LMX together, but they treat LMX or organizational culture as a moderator between the other and the management outcome (Erdogan, et al., 2006 and Vukonjanski, et al., 2012). However, how organizational communication can influence leader-member exchange remains unclear. This case study about Smart Education aimed at providing some deep insight towards this gap.

RQ 3: How does the organizational cultural influence the exchange between the leader and member of Smart Education?

2. Research Method

In order to get enough information to understand the culture and leader-member exchange happened in Smart Education, three channels were used in the study, including Internet, interview, and direct observation.

2.1. Internet

Before we interview the company members, we first collected the Smart Education's

company background on its website: <http://www.mysmartedu.com/>. From the website, we mainly got the company's profile, history, the size and organizational structure. The website gave us the first impression about the company.

2.2. Interview

Since we need specific featured people for the interview, we used snowball sampling as the interviewee recruitment method (Frey, et al., 2000). We first contact the President, Mr. Chan for the assistant of our study. He accepted our interview requirement and introduced four other employees to participate the interview. We got one leader of the company and four members from different department, including two female and two male employees. They are all employees from the middle managerial level who are directly led by and responsible for the president Mr. Chan. Those five interviewees can be regarded as leader and members in a single team. Therefore, we hope they can provide rich and relational stories for their organization.

Informed consent was provided before the interview. (see attachment) After they all agreed to join our interview and signed the informed consent, five semi-structured interviews were conducted in face to face method, separately without other employees' existence. Each of the interview last for about 20 minutes. Questions were asked based on three major parts, including the interviewees' background information, their perceived organizational culture and their leader member exchange behavior. (Interview questionnaire see attachment.) Examples and stories were especially encouraged by the interviewers in order to gather rich information within the organization. The interviews were recorded and transcript into Chinese for further analysis.

2.3. Direct observation

Since one of our group member has close relationship with the company leader, she also brought a lot of useful information about the company from her own observation which accumulated since the beginning of the company. Her observation about the company and the people works as an essential complimentary information for explaining the unclear or uncertainty parts of the interview.

3. Organizational Culture

A conceptualized definition of organizational cultural is "the sets of artifacts, values, and assumptions that emerges from the interactions of organizational members" (Keyton, 2011, p.28). This definition emphasis on the interaction aspect of making a culture. In other words, to understand how people doing and talking can help to investigate the organizational culture (Miller, 2012). In order to operationally define the organizational cultural dimensions, the paper adopt the nine GLOBE cultural dimensions (House, et al., 2004) as the analyzing framework to understand the details of Smart Education.

The GLOBE cultural dimensions was originally a quantitative survey scale which includes 78 questions that both test the practicing culture and ideal culture. In this study,

we adapt this scale into qualitative questions and focused only on the practicing culture in the company. The nine GLOBE cultural dimensions are: 1) uncertainty avoidance, which focuses on the social norms, rules, and procedures within the organizational, and whether they are clear and predictable to the members for future action; 2) future oriented, which focuses on the planning or delaying behavior of the organization and its members; 3) power distance, which focuses on the power distribution issues; 4) collectivism I (institutional), which focuses on the institutional practices of collective actions in an organization; 5) humane orientation; which focuses on the organizational action of being fair and caring about individuals; 6) performance orientation, which focuses on how organization encourage members to performance better; 7) collectivism II (in-group), which focuses on the loyalty issue of group members; 8) gender egalitarianism, which focuses on the gender equality issues in the organization; 9) assertiveness, which focuses on the way individuals confront and deal with the conflicts in their relationships (House, et al., 2004).

3.1. Uncertainty avoidance

Clear written rules. A zero tolerance policy for the workplace uncertainty and ambiguity has been imposed in the organization apparently through a significant emphasis on general human resource management. As noted by a few interviewees, “employees must strictly comply with the normal human resource rules and regulations, especially who would like to ask for a leave” and “formal procedures have to be processed for leave applications, and nothing is special”. However, only one interviewee pointed out that “since it is an I.T. company responsible for global public examinations, intellectual property right must be of utmost importance to be respected and the security and integrity of all the examinations in charge must also be absolutely guaranteed”. In fact, someone also mentioned that “whenever there is special or urgent arrangement, memos would be distributed by the company at once”, and “the company does require employees to submit work progress reports regularly via emails”.

No uncertainty rules recalled. No particular organizational rituals and habits were reflected, however. As most interviewees replied, the policy in Smart Education is actually the same as the companies they worked before. They all clear about the rules in the company.

3.2. Future oriented

Clearly informed plan. A promising cantata of future orientation of the organization has been well orchestrated by the company’s leaders and members. “Different departments in the organization,” one interviewee said, “are clearly informed and assigned for the practice of division of labor”. Other interviewees also reckoned that “the boss has actually afforded explicit guidelines and direction for them to follow pursuit”, “tasks were always well arranged to employees once the decision had been made”, and “there must be briefing sessions for each task to all corresponding workers to know clearly the reasons and objectives of each of them”.

The problem of accomplishment. However, it should be noted that all interviewees were satisfied with their own pieces of work only in terms of the time requirement —

that is, for example, “successfully meeting the deadline in the e-textbook project with EDB”. An interviewee did reply also that “As far as how many incoming phone calls (i.e. complaining and suggesting) from the customer service department is concerned, there is still much room for improvement”.

3.3. Power distance

Boss has the main power. The fact that centralization of power exists mainly on the boss and lesser on the departmental heads can be well-observed in the organization. For the organizational decision making processes, all interviewees asserted that “of course the boss has the right to make the final and big decisions, though we are free to decide the specific plans of doing it”. “Sometimes I made the decision first, but if the Boss did not satisfied, I need to revise it. The final decision is still made by the Boss.” “As the boss confirmed, “it depends on the importance of the decision.”

Transparency. When it comes to the level of transparency of the processes, some interviewees indicated that “there are many various annual/quarterly/managerial/project-based meetings either in formal or informal manner which allows related employees and stakeholders to make diverse decisions and understand company’s every planning” and that “we are just well informed to do things so; when there is a new project, the whole team must know what is going on, except for the very new staff”.

Middle-level decision right. People belong to the middle management level do still have certain decision-making rights on the details of the projects and tiny stuffs. For instance, “with the overall direction provided by the boss, the topic and content of my recent company-arranged presentation in Guangzhou can be selected by me” and “the place and time for social gathering can be up to employees, but not the date for the monthly financial report submission”. Another interviewee also commented that “when we need to deal with new computer-related challenges, it is understandable but not recommendable to make urgent, individual decision without asking your supervisor beforehand”.

3.4. Collectivism I

Teamwork encouraged. Institutional practices of efficient teamwork in the organization is also commonplace. Given that most of the projects are large-scale which have to be further divided into smaller parts for corresponding employees to focus under the long established working flow, all interviewees answered that “each person in the organization communicates well and shared the working information with each other frequently and anytime (within the office hour)” so that “if there is an accident, other worker also familiar with the task can also fill in the position”.

3.5. Humane orientation

Equality. Organizational equity and employee caring are two items of top priorities in the organization. An interviewee said that “all internal organizational actions and assessment methods are based on established practices and system that treat all

employees alike”. “Equal opportunity strategy,” another added, “to all employees is adopted in this company”.

Caring. As a matter of fact, one interviewee thought that “company’s continuous employment of me is already an important means to care me” while the others experienced that “the boss would care me when I applied a sick leave” and “when I confronted with an urgent family problems, my boss quickly allowed my day off without counting my official number of holiday at his discretion”.

3.6. Performance orientation

Public rewarding. The organization leader has considered an array of means to encourage and motivate his employees to demonstrate better performances. Unanimously, all interviewees reported that there are always birthday parties for the employees and private extra bonus for employee’s laudable jobs in private (but promotion would be announced openly via email). In particular, further study and training sponsorships are also available and incentive tours would also be organized annually, as told by two interviewees.

3.7. Collectivism II

Loyalty of senior employees. With a significant turnover rate for the newcomers, the sense of belonging or loyalty of the old staff is far stronger than the new staff. As all the interviewees are in management-level, and worked in Smart Education for 2-6 years, they all expressed their loyalty towards the company. One of the interviewees further explained that “it is the large workload and the trust given by the boss who let me approach the top secret of this company, the central computer server, that make me have a loyalty to the company”. “I have spent,” another interviewee added, “most of my time in my home and this office that here is definitely my second home”.

High turnover rate among newcomers. All interviewees agreed that the longer the working history in the company, the stronger the loyalty level of the employees. Some interviewees noticed, "in the recent 1-2 years, the duration of new people stay in the company decrease." The boss also agreed that some new stuffs may not have loyalty towards the company, they need time to mingle and adapt to the working environment of the company.

3.8. Gender egalitarianism

No difference. Gender issues are treated equally in the organization. An interviewee expressed that “the ratio of male to female workers in the organization is around half to half and there is no gender discrimination”, whereas another interviewee even revealed that “girls here do also help to move heavy things by themselves”. There is no special rules that used to protect gender equivalent.

3.9. Assertiveness

Conflict management. Conflicts are managed among the lower level. For employee-employee conflicts, most interviewees said that “small conflicts that arise from the

group work would best be tackled among the involved people at the lower organizational level unless they would show huge consequences that have to report to our boss".

Harmony. For the relationship among employees, all interviewees answered carefully that they only have conflicts among works not people. Harmonious workplace relationship has been maintained in the organization to reduce and resolve any internal conflict. Most interviewees said that "for the operation and cooperation in the company, most workers have excellent rapport with each other" and that "all would be in company's shoes and keep rational and cooperative". The boss also confirmed that his employees were matured and would not bring emotions to work.

3.10. Summary

Smart Education is a small family business as introduced above. Actually, after analysis its cultural dimensions, we can summarize its cultural as partly fit the culture of Chinese family business (Sheer, 2013). Firstly, the power in the company is controlled mainly in the hand of top management level. Although the decision process is transparent, low-level employee are seldom participate in the decision making process or only have few and unimportant decision power. Secondly, teamwork spirit is highly encouraged. Although *guanxi* is not directly mentioned in the interview, but loyalty is an essential feature that exhibited by the long-term employees. Thirdly, harmony is highly valued and conflict is suppressed in the organization. Conflicts mostly are limited in the low and middle level in the organization. These company values are highly consistent with the Chinese traditional value of family, that power is in the hand of father, all members shall be loyal to the family and harmony is valued.

On the other hand, clear company rules, working plans for every employees, gender equivalence and public rewards are company cultures that reflect the modernity of the company which also fit the principle of scientific management. However, as indicated by interviewees, these cultures are not unique in the Smart Education.

4. Leader-Member Exchange

Leader-member exchange theory is now one of the most popular theory that is used in analyzing the leader-member interaction (Sias, 2014). The theory mainly argues that the interaction quality between leader and its follower can affect the job satisfaction or organizational outcome (Graen & Uhl-Bien, 1995). However, previous researches about LMX seldom emphasized on what is exchanging between the leader and members. Sheer (2014) criticized it as an "exchange lost" in LMX. In order to reconstruct the LMX in a behavior based concept and provide operationalized measurement, she provided a new framework to study the exchange interaction in the leader-member relationship. The LMX contains four aspects: 1) tangible work exchange, including material, services or behavior that is provided by one partner and received by the other; 2) tangible social exchange, including favors or gifts giving not for work related issues; 3) work communication exchange, including information that is exchanged for work related purpose; 4) social communication exchange, including the dialogues which contents are non-work related issues (Sheer, 2014). As "exchange" means two-way

interaction that both parties should be both the sender and receiver, the original measurement emphasis on the "reciprocate" nature of LMX. However, in the real settings, interviewees seldom recall any interactions that is "paid-back" immediately in a same way, so one-way interaction was also regarded as "exchange" in this study. Since the study is focused on how organizational culture influence LMX, the work performance and managerial outcome, which is involved in most LMX theory, is not studied in this study.

4.1. Tangible work exchange

Working assistant from the Boss. During the interview, all employees told us that “the boss would anticipate the needs of the employees and be concerned about the very reasons that make the employee to ask for a sick leave”. They also recalled that “the boss would teach the new staff directly when necessary”. One interviewee also pinpointed in great detail that “since my boss and I have similar computer science background, my boss are usually more than willing to share some insights for me to address several problems related to computer technology.”

Returning help from employee. In return, upwardly, employee will pay back the boss by helping the company in achieving the goals. The boss responded that sometimes “employees to anticipate the company's needs by reminding me to buy gifts to sister companies and to the clients for festivals, as well as to hold birthday parties to the employees in due course”. One manager also “would use personal network in the relevant industry to help the company to publish own magazines for the organizational needs and goals.”

Help among members. When it comes to the employee-employee stratum, “people here are all willing, active and voluntary to give a hand to each other”. To cite the joint team cooperation in designing the company’s webpage, “people from the I.T. team would give helps and suggestions to the design team such as picture positioning and so on”. In particular, an interviewee answered that “there is always adequate backup from the company and other staff for people who need to work in mainland China in case of accidents or urgencies.”

4.2. Work communication exchange

Communication channel. Face-to-face and email communications are two most favorable way for workplace communication in the organization. Usually, the members will be asked to go to the leader's office and discuss the work face to face. Or "the working arrangement will confirmed by e-mail." However, new social media are not widely applied.

Communication downward. As the interviewees said in our conversation, from a macroscopic downward perspective, “project-based, annual, quarterly meetings are held regularly to deliver organizational messages for the work schedules, directions, and decisions”. One the other hand, viewed microscopically, an interviewee reported that “when I was delegated by the company to give a talk in Guangzhou and I had no ideas, my boss would come to share his experience and skills on how to present well”.

Communication upward. Some interviewee answered that "I will give him my suggestion, if the boss ask me," but when asked whether they will actively proved their own opinion, the answer is " yes, but less." Although there are few upward workplace communication exchange, an insightful story had been heard from one manager that "given that I had been graduated from a period of time and most new staff who are fresh graduates know more latest computer technologies than me, I would like to listen to them and learn from them, showing my experience on how I often analyze and deal with the problems in the tasks to them in return."

4.3. Tangible social exchange

Gift/souvenir. A common answer among the interviewees is that "all people after travelling would buy souvenirs to others as a social norm here and would replenish the staff's food pantry automatically so that all can enjoy". They also mentioned that in one's birthday or in New Year, company usually will dinner together and they would give gift to each other. The gift-giving exchange is a common practice in Smart Education, and souvenirs-buying is kind of norm-like behavior.

Dinner for teambuilding. The Boss joked that "our organizational culture is 'Eating and Drinking.'" Telling us that "the boss would always treat us to dinner at nearby or distant special restaurants", some interviewees also said that "social parties like the annual dinner, birthday party and Christmas party would also be held". It is a way that the organizational members gathering together and also, as a manager implied, "maybe it is for teambuilding, no other special reasons."

4.4. Social communication exchange

Content diversity. In the workplace environment, organizational members would all communicate socially with each other. As collected in the interview, "when can talk everything, including policy of permanent residence, part-time degree studying, property market or their kids..." and " we sharing about ourselves, maybe some interesting things". "we all chat with colleagues in informal ways, especially when we feel bored when working." But still, the communication channel is face-to-face but seldom on social media.

Difference between people. Although the Boss love to chat with his members, he also agreed that "it is depend on their characteristic," which implied that there are some employees are difficult to communication socially with. He also admitted that he has some in-group members that he trust more, but "we are just friend and it will not affect our work." Especially, the two male managers told us they are good friend with the boss and they share special topics with the boss. " relatively, our relationship is relax. We just talk what we are thinking about, and the topic is not limited. Another member said, "since we are in same major, we are easily taking about the news inside our industry. We share this interest."

Office Hour limited. It is a little bit astonished that most people does not chatting with each other through other channels after work. "Firstly, I seldom use whatsapp after work," one interviewee summarized, "second, it is ones privacy time that we will not

disturbed them unless necessary." Others also confirmed that they only talking with their co-workers only in the office hour.

4.5. Summary

For the tangible working exchange, most of the helps are from the leader to newcomers, some members will help the company in order to help the leader. For work communication exchange, the communication flow is mostly down with face-to-face or e-mail channel. Feedbacks are provided usually by asking from the higher level. The tangible social exchange is usually coming from two form: gift/souvenir giving or eating together. Social communication exchange is most frequently happened among leader and members, with various topics and two-way communication, during the office hours..

5. Culture and workplace communication

5.1. Power distance and work exchange

Ghosh (2011) pointed out that communication usually goes vertically downwards in an organizational where a high power distance existed. In Smart Education, the high power distance and clear decision hierarchy not only affect the work communication exchange, but also lead to the almost one-way exchange in tangible work related issue.

From the findings in the above sections, we can see that nearly all decision are done by the top and middle level in the company, and the boss always have the final decision right. The decision making process, as Mr. Chan indicated, was transparent but not clear. In other words, every employee knows what the boss have already decided and what are other decisions left for themselves. Therefore, the tangible work exchange is always help from the high or senior level, and the work communication exchange is also mostly from the boss. The format or content of the communication is mostly as instructions. Though some managers mentioned that sometimes, they will give their feedback or suggestions back to the boss, however, only in the situation that the boss asked them to give the feedback. The upward communication is still initialed by the top level.

However, the one-way work communication seems only limited in the top-middle level exchange. since the power distance between middle-bottom level is not as far as between the top-middle level. Thus, some manager mentioned that even the new members will teach them with new work-related technique information, or share other information on whatsapp or facebook. Some of the sharing are informal and sometimes, members are also encouraged to do a formal presentation for the new ideas.

If using the family as a metaphor for Smart Education, top-level boss is as the father of the family, he have the final decision power in the family, and he cares about the children, but the children will not challenge his decision. However, the middle-level managers are just big brothers, who of course take care of the younger brothers in the bottom-level, but the distance is not so far and they share special communication channels like whatsapp or facebook, that their father does not know.

5.2. Institutional collectivism and social exchange

Another significant feather of the organizational culture in Smart Education is that institutional collectivism is highly encouraged, especially in each department. All members recalled that they always worked in teams and discussed both in formal and informal ways. Such culture encouraged people have the feeling of being in connected with each others, and relation management is a core theme for the communication (Wang and Chen, 2010). The relational concern leads to the high amount of social exchange in the company. For example, they bring superiors and buy birthday gifts to members or the boss. The boss also will talk about advanced study, property buying or child issue with subordinates.

It is worth to be noticed that the social exchange flow constructed sharply different from the work exchange in Smart Education. This difference, we think, is due to the different consideration towards the two kinds of exchange. For work-related issue, the members need to care about that their behaviors should not threaten the centralized power of the top management, since they also have the power to decide their benefit from the job. Therefore, the behavior or communication with the boss follows a principle of "not to be interested in gaining merit, but only in avoiding making mistakes(不求有功, 但求无过)". In contrast, the social-related issue is much safer. As the boss also encourage people to work in team, team members, including the team leader, need to be in a close relationship with each other which can benefit their smooth cooperation. So, increasing the social related exchange is a both easy and safe way to build up their relationship.

5.3. In-group collectivism and tangible exchange

One significant problem Smart Education facing is that the in-group collectivism of new staff is low. Although the interviewed members all expressed their loyalty to the organization, they also admitted that the turnover rate among new and young staff is high. One reason may be due to the younger generation are more willingly in changing their employment (He, 2014). Or maybe as Mr. Chan suggested, it need time to build up the loyalty within the new employees. Therefore, the leader-level are making effort to giving their tangible help in exchange for the trust and loyalty from the members. This is regarded as a kind of benevolence behavior that existed in Confucian culture (Kang and Chang, 2001).

However, in consistent with Sheer's (2007) finding, the benevolent behavior mostly operated in a non-communicated way in Smart Education. All members remembered that they got help in work when they are new stuff and the boss always invite them to dinner in order to build team relations. For work communication exchange, most of the time, the sharing of information is on whatsapp or facebook where the boss is not always presence. For social communication exchange, although the boss also chat with his members about various topics, Mr. Chan also admitted that some employees are quiet with him. There is such pattern that leaders put less effort in communication exchange with the members.

5.4. Gender issue and social communication exchange

The statistics like male/female rates in employees and managers are balance. Mr. Chan also promised that they treat their employees equally no matter what gender, sexual orientation or background they coming from. They do not have any special method to ensure the gender equality. However, as the boss is male, it seems that male managers exchange much more than their female partners.

It is difficult to get any conclusion that whether the organizational culture is really gender equitable or rather is male dominant. But, the organizational did not aware of gender related issue in the workplace. Therefore, since the single boss is the male president (the female CEO is not in charge of daily operations in Smart Education) , both male and female managers need to interact with a male leader. It is significant that the two male managers shared a lot more topics with the leader in the content of social communication exchange. Both of them indicated that they share some unique hobbies or topics with the boss that help them cooperate more smoothly with the leader. On the other hand, the female managers talked much less and only mentioned some general topics. That is to say, maybe there is still a gender gap between the leader-member relationship which may need the organizational comes up ways to improve.

5.5. Assertiveness and leader-member exchange

Harmony is another central culture in Smart Education that suppress the conflict is widely adapted in all level of the company. All members are answered really very carefully towards this question. This organizational culture actually influences all kinds of leader-member exchange.

For tangible work exchange, all members mentioned that they received help from the leader or other members when in need. It is benefit from the harmony atmosphere that people regarding each other as partner but not opponent.

For work communication exchange, new information are transmitted much more in the middle-bottom level and little is to the top level. What is more, the feedback about works are only reported when asked, but other conflict are managed within themselves unless the problem is serious enough to threaten accomplishment of the work. "Do not bother the boss if not necessary" is a commonly shared principle for the workplace communication of members.

For tangible social exchange, buying souvenir when coming back from other cities seems becoming a informal rule in the company. The "souvenir" rule is also a reflection of the harmony culture that people using this way to show that they caring about each other in the company. The boss also paid teams for dinner in order to do team building. This behavior is influenced by the organizational culture but also in turn enhance the culture.

For social communication exchange, it is interesting that many members agreed that they seldom chat with other company members after work, even they chat a lot at work. It is a little bit contradictory that if the members are really in good relationship with team leaders of other team members, they should also be friends after work. On the contrary, even some male managers who share specially hobbies with the boss will not

communicate work-mates when not at work. They kept a very professional relationship with people in the organization.

6. Conclusion

In Smart Education, we can find its organizational culture has impact on all the aspects of its leader-member exchange. The powerful but still benevolent boss has the most impact on the exchange process. The organizational culture of high power distance between boss and employee discourage the upward exchange motivations among employees. The importance of harmony in company may also cover some conflicts between the employees or department from the boss. However, a team oriented working culture is benefit for all kinds of social exchange among in and cross level of members in the organization. Leaders may also need to pay more attention to communication exchange with newcomers in order to enhance loyalty among them. The gender issue still need further investigate for a conclusion.

The limitation of the study is that all interviews were done among the middle and top level in the organization. It is difficult that whether the bottom-level employee recognized the organizational culture in the same way. Besides, when doing the interview, we can feel that some questions were answered in a very careful way, like power and conflict issues. Therefore, limit negative stories were told by the employees. What's more, in the future study, more interviews need to be conducted in order to get a more complete picture of the organizational nature of Smart Education.

Reference

- [1] Erdogan, B., Liden, R. C. and Kraimer, M. L. (2006). *Justice and Leader-Member Exchange: The Moderating Role of Organizational Culture*. *The Academy of Management Journal*, 49(2), 395-406.
- [2] Frey, L. R., Botan, C. H., & Kreps, G. L. (2000). *Investigating Communication: An Introduction to Research Method*, 2nd Ed. Boston: Allyn and Bacon.
- [3] Ghosh, A. (2011). *Power Distance in Organizational Contexts-A Review of Collectivist Cultures*. *Indian Journal of Industrial Relations*, 47 (1), online version. Retrieved from : <https://www.questia.com/library/journal/1G1-349721390/power-distance-in-organizational-contexts-a-review>
- [4] Graen, G. B., & Scandura, T. (1987). *Toward a psychology of dyadic organizing*. In B. Staw & L. L. Cummings (Eds.), *Research in Organizational behavior* (vol. 9, pp. 175-208). Greenwich, CT: JAI.
- [5] Graen, G. B., & Uhl-Bien, M. (1995). *Relationship-based approach to leadership: Development of leader-member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective*. *The Leadership Quarterly*, 6(2), 219-247.
- [6] Hall, E. T. (1959). *The silent language*. Garden City, N.Y. : Doubleday.
- [7] He, D. (2014, Feb 24). *Many young workers looking to change job in first quarter*. *China Daily*. Retrieved from <http://search.proquest.com/docview/1553144164?accountid=11440>
- [8] House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W. and Gupta. V. (2004): *Leadership, culture, and organizations: The GLOBE study of 62 societies*. Thousand Oaks, CA: Sage.
- [9] Kang, T. L., & Chang, S. H. (2001). *Development of a new three-dimensional leadership mode in technological and vocational education in Taiwan*. *Global Journal of Engineering Education*, 5, 139-146.
- [10] Keyton, J. (2014). *Chapter 22: Organizational culture: creating meaning and influence*. In Purnam, L.L and Mumby D. K (Ed.), *The SAGE handbook of Organizational Communication: Advances in Theory, Research and Methods* (pp. 549-568). USA: Sage.
- [11] Keyton, J. (2011). *Communication and organizational culture: A key to understanding work experiences* (2nd ed.). Thousand Oaks, CA: Sage.

- [12] Miller, K. (2012). *Organizational Communication: Approaches and Processes*. Ohio: Wadsworth.
- [13] Sheer V. C. (2007). *The practice of transformational leadership in Chinese culture: Constraints and promises*. In M. B. Hinner (Ed.), *The influence of culture in the world of business* (pp. 249-270). Frankfurt am Main, Germany: Peter Lang.
- [14] Sheer V. C. (2012). *In Search of Chinese Paternalistic Leadership: Conflicting Evidence From Samples of Mainland China and Hong Kong's Small Family Businesses*. *Management Communication Quarterly*, 27(1), 34-60.
- [15] Sheer, V. C. (2014). "Exchange lost" in leader–member exchange theory and research: A critique and a reconceptualization. *Leadership*, 0(0), 1–17. doi: 10.1177/1742715014530935
- [16] Sias, P. M. (2014). Chapter 15: Workplace relationships. In Purnam, L.L and Mumby D. K (Ed.), *The SAGE handbook of Organizational Communication: Advances in Theory, Research and Methods* (pp. 375-400). USA: Sage.
- [17] Vukonjanski, J., Nikolic, M., Hadzic, O., Terek, E., & Nedeljkovic, M. (2012). Relationship between GLOBE organizational culture dimensions, job satisfaction and leader-member exchange in serbian organizations. *Journal for East European Management Studies*, 17(3), 333-368.
- [18] Wang, G. & Chen, Y.N. (2010). Collectivism, relations, and Chinese communication. *Chinese Journal of Communication*, 3(1), 1–9.