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An Empirical Research on the Performance Value of Emotional Elements in Corporate Culture in Service Industry: the Case of Guang Xi New Life Group

（Thesis submitted for the degree of Executive Doctorate in Business Administration）

Cohort: 2015

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ABSTRACT

Against the backdrop of fast and drastic changes in Chinese economic society with the implementation of Chinese economic reform and opening-up policy, professional companies in China are booming, taking up a larger share of the gross national income. With more income to spend, Chinese citizens keep raising their requirement on service companies, challenging professional service firms who intend to maintain a long-term partnership with their customers.

The decision to conduct an empirical research on the on the Performance Value of Emotional Elements in the Construction of Corporate Culture in Service-oriented Industry derives from the author's learning experience in Japan, the author's work experience, and researches by scholars such as Gronroos C., Richard L Oliver, Zhang Shixian, Yao Tang etc. Through the study of Tokyo Disney and MK Taxi Company in Japan, we had a preliminary understanding of the meaning of ultimate service culture utilizing the emotional elements. After studying the research results of many experts and scholars, we have further studied the performance value of affective factors in the construction of service-oriented enterprise culture through the use of literature, interview, questionnaire, case study method, comparative research method and data model analysis method.

Through an in-depth study of corporate culture, we can find that the components of corporate culture include emotional factors, corporate values, entrepreneurial spirit, ethics, corporate system and corporate goals. Emotional factor is one of the important factors to improve the contract renewal rate in business. It not only improves the efficiency of management, and enhances the loyalty and service awareness of employees, but also helps to satisfy the emotional demand of customers and strengthen their tendency for cooperation. Drawing on Daniel. R. Denising's work on organizational culture survey scale, Hofstede's cultural evaluation method, Lane and Distefano's six-dimension system, and Chen Chunhua's evaluation index of Chinese corporate culture, this dissertation constructs a theoretical model of two levels. The first level involves the leader mentality, staff mentality, client mentality and institutional sentiment. The second level contains leadership management, leader emotion, employee satisfaction, employee quality, employee emotion, corporate culture, service ability, customer needs, customer loyalty, and customer emotion. According to the theoretical model, five assumptions about the emotional elements are put forward: a) emotional elements can improve the contract renewal rate in business; b) emotional elements can improve customer satisfaction; c) emotional elements can improve employee loyalty; d) emotional elements can stimulate employee motivation; e) emotional elements can be the core component of corporate culture construction.

Under the guidance of theoretical model, this dissertation conducted questionnaire surveys and interviews on Guangxi New Life Logistics Service Management Co., Ltd., performed a field study in Tokyo Disneyland, MK Taxi Company, and interviewed elite managers in

relevant industries, client representatives, and employees, further authenticating the relevance between emotional factors and contract renewal rate, customer satisfaction, employee loyalty, employee enthusiasm, and corporate culture. This dissertation recommends prioritizing emotional factors in the innovation of corporate culture: to foster *"love and growth"* as our guideline for development; to cultivate a "sunny" spirit and "graceful and generous" attitude towards life; to form *"love and care"* as the management philosophy and *"mutual help and love"* as our guideline for interpersonal relationship. In this way, emotional elements become the core value in the innovation of corporate culture, providing impetus for the continuous development of service-oriented enterprise.

The dissertation has a lot of shortcomings, but the pace of research will not stop. The next step will be the actual application of the emotional elements and this research, combining theory and practice in order to develop corporate culture in Chinese service companies to create a conducive work environment for employees and an emotionally satisfying service for customers.

Key Words*: **service-oriented enterprise; corporate culture; emotional elements; enterprise performance; love and growth***

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TABLE OF CONTENT

CONFIDENTIALITY AND AUTHORISATION I
ABSTRACT I
ACKNOWLEDGEMENT III
Chapter I Introduction 1
1.1 Background for choosing the research topic and the purposes 1
1.1.1 Background for choosing the research topic 1
1.1.2 The purpose for choosing the research topic 5
1.1.3 The scope of research on service industries 5
1.2 Research method 6
1.3 Technical procedures 9
1.4 Innovation and shortcomings 9
Chapter II Literature Review 11
2.1 Research on the concept of corporate culture 11
2.1.1 Connotation of culture 11
2.1.2 Connotation of corporate culture 13
2.1.3 Classification of corporate culture 14
2.1.4 Components of corporate culture 15
2.1.5 Understanding the approaches of corporate culture 16
2.1.6 Important research results in corporate culture 17
2.2 Theories related to corporate culture 18
2.2.1 Psychology and corporate culture 18
2.2.2 Corporate culture and management 19
2.2.3 Sociology and corporate culture 19
2.2.4 Corporate culture and the study of culture 20
2.2.5 Corporate culture and economics 20
2.3 Research on the emotional elements 20
2.3.1 Corporate culture and core competitiveness 20
2.3.2 Emotional elements and core competencies 21
2.3.3 The roles the emotional elements play 22
2.4 Research on the evaluation of corporate culture 25
2.4.1 Theories in the field of evaluation of corporate culture 25

2.4.2 Theoretical development of corporate culture evaluation in China 26
2.4.3 Evaluation model of corporate culture 27
Chapter III An Overview of the Emotional Elements in Service-oriented Corporations 29
3.1 Basic connotations of the emotional elements 29
3.1.1 The meaning of emotional elements 29
3.1.3 The goals of emotional elements 31
Chapter IV Constructing the Hypothesis Based on Research Models 40
4.1 Research hypotheses 40
Chapter V Questionnaire Design and Measurement of Variables 56
5.1 Design of questionnaires and interviews 56
5.2.3 Variable analysis 67
Chapter VI Design of Questionnaires and Testing of Hypothesis 73
6.7 How the clients of New Life Group understand the construction of corporate culture and emotional elements 108
6.8 Testing the hypothesis 109
Chapter VII Conclusions and Suggestions 119
APPENDIX 131
1. Questionnaire for Employees 131
2. Questionnaire for Clients 138
3.Outline of the Interview with Japanese elite 142
4. Outline of interviews with senior executives of new life company and relevant industry elites in China 144
5. Outline of interviews with staff members at New Life Group 146
6. Outline of interviews with clients of New Life Group 147
7. Profile of interview respondents: managers at New Life Group 148
8. Profile of interview respondents: elites at relevant industries 149
9. Profile of interview respondents: employees at New Life Group 150
10. Profile of interview respondents: clients of New Life Group 151
11. Profile of interview respondents: employees at New Life Group 152
BIBLIOGRAPHY 153
DECLARATION 161
RESUME 162

TABLE OF TABLES

Table 2.1: Classification of cultural dimensions 12

Table 2.2: Division of dimensions in cross-cultural adaptations 13

Table 2.3: Quotations in the Emotion Intelligence Training 22

Table 2.4: Training materials of emotional intelligence: case study 23

Table 4.1: Corporate culture index in private companies in China 46

Table 5.1: Summary of the questionnaire survey of employees 59

Table 5.2: Summary of the questionnaire survey of customers 64

Table 6.1: How the staff members at New Life Group understand the construction of corporate culture and emotional elements 107

Table 6.2: How the clients of New Life Group understand the construction of corporate culture and emotional elements 108

Table 6.3: The turnover rate of New Life Group from 2015 to 2017 112

TABLE OF FIGURES

Figure 1.1: Pyramid of Brand Competitiveness 4

Figure 2.1: Quinn's classification of corporate culture 15

Figure 2.2: The McKinsey 7S Model 17

Figure 2.3: Effects of various forms of training in four dimensions of emotional intelligence 24

Figure 2.4: The model of leadership effectiveness with emotional intelligence of charismatic leaders and their employees as coordinating variables 25

Figure 2.5: Measurement and evaluation of corporate culture 28

Figure 4.1: Schematic Diagram of Psychological Phenomenon 41

Figure 4.2: Operating mechanism of corporate culture 41

Figure 4.3: Denison's model of cultural investigation 45

Figure 4.4: Manifestations of culture: from the appearances to the core 46

Figure 4.5: The theoretical model of emotional elements in the construction of service-oriented corporate culture 48

Figure 4.6: Relevant elements in measuring employee satisfaction 51

Figure 5.1: Organizational structure of New Life Group 58

Figure 5.2: Logo of New Life Group 59

Figure 5.3: According to customers, what role do emotional elements in corporate culture play in raising employee satisfaction? 69

Figure 5.4: According to customers, is the corporate culture cultivated by service companies directly related to customers? 71

Figure 5.5: According to customers, can emotional elements win more clients for service-oriented companies? 72

Figure 5.6: According to employees, can emotional elements win more clients for service-oriented companies? 72

Figure 6.1: The area of employee capacity 78

Figure 6.2: Customer satisfaction survey: New Life Group (2015-2017) 117