

# Western Culture Influence on Asia

## Executive Summary

### Objectives

This document will explore mechanisms of three successful companies in Asia to investigate how western culture and paradigms influence organizations in Asia. The three companies studied are MAGIC, Xiaomi and SF Express. MAGIC is a Malaysian government organization responsible for developing the startup ecosystem in Malaysia to facilitate the growth startups and entrepreneurs in Malaysia. Xiaomi is a Chinese Internet company that sells consumer electronic products, such as smartphones and smart bands. SF Express is a leading Chinese delivery service company that provides information collection, market development, logistics distribution and express delivery services.

### Approach

Several techniques have been used to analyze the three companies, including brainstorming, online research and benchmarking. The team first conducted extensive researches on business models of the three companies and then identified all the elements of western culture and paradigms in their business models. Organizational design principles regarding corporate culture, organizational structure, internal and external environment, decision making process and innovation were applied to the analysis of each of the three cases. Benchmarking was later used to evaluate the success of MAGIC, Xiaomi and SF Express in their corresponding industries.

### Findings

The Malaysian government organization MAGIC successfully grew the startup ecosystem in Malaysia by incorporating western management values into the culture. Implementing western culture requires a strong leader with proven western leadership experience. This led to the appointment of Cheryl Yeoh, a Malaysian entrepreneur based in Silicon Valley to lead the organization in April 2014.

Xiaomi successfully merged the essence of western culture with Chinese culture by using the concept “Rong” in Confucian philosophy. By creating a flat organizational structure, hiring executives from tech giants in North America and bringing western traditions, Xiaomi has developed a brand new business model that can be studied for all other technology companies in China.

SF Express has learned the paradigm of logistics from western and has become the leading role in industry in China by providing faster and more reliable service. SF has an innovative spirit (i.e. applying the technology properly and embracing the trend of e-commerce), which leads this company to create a new business model combining the delivery service and online shopping.

### Recommendation

The three companies discussed above all adopted different methods of incorporating the western culture and paradigms into the blood of their organizations. MAGIC successfully mimicked the western culture in Malaysia, while Xiaomi took the essence of western culture

and then mixed it with Chinese culture to create a brand new business model. And SF Express learned from the most advanced western paradigms and adjusted it to fit Chinese market. An overall conclusion can be drawn that there is not a single formula for successfully incorporating the western culture into an Asian organization. Changes must be tailored to the environment.