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**A Model of Cultural Influence Factors in Chinese
Enterprises Developing Foreign Market by the Belt and
Road Initiative – An Exploratory Study based on
Grounded Theory**

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**A Model of Cultural Influence Factors in Chinese Enterprises
Developing Foreign Market by the Belt and Road Initiative –
An Exploratory Study based on Grounded Theory¹**

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Abstract

More and more Chinese enterprises choose to develop foreign markets because of globalization and rapid development of Chinese economy. When they are developing foreign market, the Chinese enterprises encounter all kinds of cultural, political, institutional and other issues. However, few scholars have paid attention to the important cultural factors encountered by Chinese enterprises develop foreign market. Based on in-depth interviews with ten famous Chinese enterprises, this study uses three-step coding of grounded theory to qualitatively analyze various influence factors in developing foreign market. The study found that politics, law, science and technology, values, social organization, education, religion and language have a significant impact on the performance of Chinese enterprises. Based on institutional civilization theory, the author divides these cultural factors into accumulated snow layer, frozen ice layer and hidden water layer which all together constructing the glacier model of influence factors in developing foreign market. This study also puts forward the important theoretical value and practical significance.

Keywords: China; grounded theory; qualitative research; the Belt and Road Initiative; develop foreign market

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Introduction

In 2014, “the Belt and Road Initiative” was incorporated into the national top-level strategy that has further promoted the pace of China's enterprises “Going Global” (Swaine, 2015). “Going Global” is also called transnational operation strategy or international management strategy (Xiaohui Liu, Lu, & Choi, 2014). The “Going Global” strategy includes export of goods and services, export of labor services, international economic cooperation and exchange and overseas investment. It means that Chinese enterprises will fully enter the international market actively and comprehensively, such as “from product to element, from capital to technology, from talent to management”, and take advantage of both domestic and international market, and fully use domestic and international resources (Brink, 2015). The essence of “Going Global” is that enterprises participate in international economic activities in various fields such as product market, technology area, resource elements, to improve profitability and competitiveness of enterprises in all aspects (Wang & Miao, 2016). At present, most of Chinese enterprises that are in the “Going Global” are state-owned enterprises. They use mergers and acquisitions quickly acquire strategic resources to achieve the expansion of scale and improve competitiveness (Brink, 2015). At the same time, some traditional industries and private enterprises with core technologies have also gone abroad to seek greater development (Cardoza, Fornes, Li, Xu, & Xu, 2015).

However, some Chinese enterprises in developing foreign market encountered in the process of “acclimatized”. The study shows that the difficulties encountered by Chinese private enterprises going abroad include “the law not suited to the investment country” “hard to understand the local market” “hard to get local investment information” “lack of talent people with investment and management skills” “localization” and so on. The essence of the above-mentioned difficulties is that Chinese enterprises cannot effectively deal with cross-cultural issues when they develop foreign market (Hisrich, 2015). Chinese enterprises have to find solutions to conquer the difficulties and understand the differences between China and home countries when they develop foreign market. Bringing Chinese excellent culture to home country has complementary advantages and help reach the win-win situation.

Therefore, the “acclimatized” phenomenon led to the following questions: (1) What are the cultural factors that influence Chinese enterprises successfully developing foreign market? Although in recent years, scholars generally believe that Chinese enterprises developing foreign market will be affected by cultural factors, and have studied construction of cultural factors from various angles, but for now, they haven't yet formed a mature theoretical system (Ardichvili, Maurer, Li, Wenling, & Stuedemann, 2006) which cannot provide good guidance to enterprises. For example, we cannot determine whether human relations in Chinese society can help entrepreneurs in investment country or not. (2) There are many cultural factors influencing Chinese enterprises' developing foreign market. Is there any correlation between these cultural factors and whether they can constitute a system? Tylor (2013) defines culture as a concept of knowledge,

belief, art, morality, law, custom, and the ability or habit of people in the society (Tylor, 2013). A general sense of culture is a complex concept, and whether the cultural factors can build a model system is not sure.

In this study, author uses Tylor's definition of culture to summarize and comment on the existing research on the cultural factors of Chinese enterprises' developing foreign market and focus on in-depth interviews with leaders in Chinese enterprises to collect required data. Based on previous studies, we find the following theoretical gaps: First, a large number of international business researches in the past using quantitative empirical research methods only focused on only single problem in the international business (Marano, Arregle, Hitt, Spadafora, & van Essen, 2016). For example, research of the entry mode in the internationalization process, the impact factors of international enterprises alliance. However, there is still lack of a systematic theoretical framework for the existing research in explaining the factors influencing the internationalization of enterprises, especially the research on cultural factors. Second, most of the existing researches is based on the background of Western companies, lacking of research and analysis of Chinese enterprises that are under the transitional economy (Jiang, Branzei, & Xia, 2016). Chinese enterprises have a special economic and institutional background comparing with western companies, so when they develop foreign market, it is bound to encounter various types of barriers in institution and market, and the current research rarely use Chinese companies as a sample. Third, the existing studies lack of qualitative research. Most of the existing studies are quantitative researches and few scholars use the grounded theory and other qualitative research methods to dig out the cultural factors that influence the internationalization. Based on the above theoretical gaps, this study collects a large number of interviews with textual data, using grounded theoretical research; build theoretical models to explain the impact of cultural factor in Chinese enterprises' developing foreign market.

This study has following theoretical contributions: First, this study analyzes the cultural factors that affect the success of Chinese enterprises developing foreign market by the Belt and Road Initiative from the perspective of grounded theory and in-depth interviews. By means of systematic analysis, this study constructed suitable glacier model for Chinese enterprises based on localized cultural influence, and extended the existing cross-cultural management research. Secondly, the glacier model constructed in this study breaks through the limitations of the onion model and the iceberg model, divides the cultural factors into three categories, analyzes the influence of culture as the pre-variables on the internationalization of enterprises, and expands the existing internationalization research. Thirdly, this study constructed the localization management theory with Chinese characteristics that could lay a foundation for the follow-up study.

The Theoretical Background of the Study

Internationalization-process theories argue that transnational corporations may face special challenges from developing countries to global markets

(Barkema, 2007; Johanson & Vahlne, 1977; Malhotra & Hinings, 2010; Zaheer, 1995). These difficulties include lack of sufficient funds, lag in technology, backward corporate governance, and the most important factor——cultural factor (Luo & Tung, 2007; Zahra, Ireland, & Hitt, 2000). Since China's reform and opening up in 1978, China has persisted in institutional transformation and improved production efficiency (P. Deng, 2007; Lu, Liu, & Wang, 2011; Luo, Xue, & Han, 2010; Rui & Yip, 2008). In 1999, the Chinese government formally launched the “Going Global” strategy to promote overseas investment. Chinese enterprises failed to generate profits during the “Going Global” process due to cultural bottlenecks (Xiameing Liu, Xiao, & Huang, 2008; Morck, Yeung, & Zhao, 2008).

It is gratifying to note that, despite the above-mentioned cultural, economic and institutional factors hampering the internationalization of Chinese enterprises, the number of successful Chinese enterprises developing foreign market is still increasing (Bruton, 2007; Peng, 2003). Chinese enterprises play an important role in the international market, competing with world-class companies (He, Chakrabarty, & Eden, 2016).

Influence factors in Chinese enterprises developing foreign market are the topics that many scholars pay close attention to. Some scholars believe that the ownership structure may be an important factor affecting the overseas performance of Chinese enterprises. Because suitable ownership structure helps Chinese enterprises get valuable scarce resources to improve internationalization process (Y. Liu, Li, & Xue, 2011). Some scholars believe that the relationship between enterprises and government is an important factor affecting the international performance of enterprises, and good relations with the local government can help enterprises quickly obtain policy support and financial support (Luo, 1995). In addition, cooperation with international companies is also the key to the success of multinational companies. Many companies have been able to attract foreign shareholders to gain access to advanced technology, international market information, and corporate governance experience (He et al., 2016). Many scholars have been studying on the cultural influence factors from different perspectives and methods since 2000. Nowadays, scholars have generally recognized that the above-mentioned cultural factors cover a wide range and must be considered systematically. This study refers to Tylor's (2013) definition of culture, which includes knowledge, belief, art, morality, law, customs, and the abilities or habits of people in the society.

In terms of politics, the conclusion that political risk has a negative impact on FDI inflows has been supported by many surveys, but the empirical findings are ambiguous (Khattab, Anchor, & Davies, 2008). Some scholars believe that the overall effect of political risk on China's FDI is that the host country's political risk does have an inhibitory effect on China's local direct investment (X. Deng, Pheng, & Zhao, 2014).

In institutional factors, scholars believe that policy support from local government, overseas resource and its own financing capacity have significant influence on the motivation of enterprises' FDI (Ando & Ding, 2014). The institutional factors not only directly influence the smooth implementation of the

internationalization strategy, but also have a significant effect on other factors that influence the implementation of the internationalization strategy of the firm, which indirectly influences the internationalization of the enterprise (Björkman, Fey, & Park, 2007).

In terms of human resources, enterprises are confronted with cultural conflicts in human resource management when they develop foreign market (Fey & Björkman, 2001; Park, Mitsuhashi, Fey, & Björkman, 2003), Such as: the contradiction of compensation standard. The Chinese and local staff salaries standards are different. If enterprises give local employees the same compensation standard like Chinese employees, there may be foreign employees to resign. If enterprises give Chinese and local employees different compensations, it may raise Chinese employees' dissatisfaction. When Chinese enterprises choose employees, they emphasize their education level, personal background, social relationship and so on which are important in traditional Chinese administrative standard. While foreign enterprises choose their employees, they choose those with better creativity and can make more contribution to the enterprises. They think these qualities are needed for the development of the company (Chen & Huang, 2009). Therefore, the huge differences in consciousness will create internal friction for the management of restructured cooperation, and bring great mental stress and frustration to employees.

Though these scholars have studied the influence factors of Chinese enterprises developing foreign market by the Belt and Road Initiative in many perspectives, the cultural influencing factors have not yet formed a mature systematic theory (Ando & Ding, 2014). Therefore, this study will adopt the method of grounded theory to gradually encode and excavate the cultural influence factors model of Chinese enterprises' developing foreign market by the Belt and Road Initiative.

Cultural Influence Factors Analysis Based on Grounded Theory

Research Design

Ground-based theory has been the dominant method of qualitative research, and its mainstream trend as a qualitative method in organizational research is increasing (Larsson & Lowendahl, 1996). The idea of grounded theory is a linked and interrelated process of hypothesis generation, data collection, empirical testing and theoretical or conceptual adjustment of organizational phenomena. This is a process from speculation to formal theory. This study will be in accordance with the grounded theory, and gradually build the structure of cultural influence factor of Chinese enterprises "Going Global".

Data Collection

In the past, most of the researches on Chinese enterprises are focused on entering into the international market, involving export, franchise, strategic

alliance and acquisition. However, the theory of cultural factors that affect the success of Chinese enterprises developing foreign market is not systematic and perfect. The traditional empirical researches using questionnaire analysis and data collection only focus on small questions and hardly reach to systematic conclusion. Therefore, through field research, in-depth interviews, collecting first-hand information, this study effectively integrates multidimensional factors to analyze the impact of cultural factors of Chinese enterprises to success fully develop foreign market.

Enterprise in-depth interviews are the most commonly used methods of qualitative research and grounded theory. A large number of qualitative research scholars have adopted in-depth interview method with the characteristics like high data authenticity and solid theory. In this study, we used multiple structured interviews, semi-structured interviews, and unstructured interviews to collect data from multiple perspectives to ensure data integrity. In the choice of enterprises, we consider the scale of the enterprise, industry, set up time and other factors, and finally chose Haier, Alcatel-Lucent Shanghai Bell, Shanghai Textile Holding Group, Shanghai Jahwa, Paideia Capital Lu Jiang and many other enterprises. With the help of above-mentioned enterprises, through the multi-sectored and many in-depth interviews, this study used a combination of vertical and horizontal way to collect many first-hand data for the comprehensive and systematic analysis the cultural factors of Chinese enterprises to successfully "Going Global" laid the database.

Research Methods

Before the interview, the research group clarify the subject and mode of the interview, through reading the existing literature and observing the enterprise, combined with their own understanding, mainly involves: (1) The study is exploratory. (2) This interview is a mixture of structured and unstructured interviews. (3) This study examines the existing theories and tries to construct the systematical theory framework of cultural factor of Chinese enterprises "Going Global". (4) This study will use the first-hand data (interviews) and second-hand data (text) at the same time.

At the beginning of the interview, the interview team leader first introduced the purpose of this interview, the purpose of this study, the approach to be adopted, and so on. Although some scholars objected to use sound recording during qualitative research, the team leader would inform managers of enterprises that the project team would record conversation and image during the interview in order to obtain the text data more accurately and promised to provide feedback reports for the enterprise after a period after the completion of the interview. In terms of interview questions, the interview team alternated and repeated questions provided by (Kvale, 2006).

In order to ensure the reliability of the interview, the project team arranged the transcripts first. A master student compiled the interview records, and another master student compared the documents they had with the actual recordings. Then, a doctor checked the contents of the transcript to determine how much the

transcript content and the original content have changed to ensure the validity of each interview.

In this study, the data are processed according to the general grounded theory (Pandit, 1996). After clarifying the cultural factors that affect the success of Chinese enterprises' developing foreign market, this study first discusses the literature and collects the data. This study adopts the three steps of open coding, axial coding and selective coding to construct the model of cultural influence factors of Chinese enterprises' developing foreign market. In the above three-step coding stage, the first step is to read the original audio-converted text data line by line, focus on the analysis, and then categorize the concepts involved in the higher frequency, resulting in open coding concept; The second step is to integrate the research topic and text data. The final step is to select and refine the second-level code, and finally obtain the core dimension and category of the cultural factors influencing Chinese enterprises' developing foreign market by the Belt and Road Initiative.

Theoretical Sampling

At present, there are more and more Chinese enterprises going abroad. This study chooses the representative enterprises to interview and get the data from different industries, different regions, and different enterprise scale and property right type. In manufacturing industry, the study chose the Haier Group, Shanghai Textile Holding Group, Shanghai Jahwa, etc.; in the service industry, selected the Shanghai Bell Co., Ltd., Ants plan, the Paideia Capital and Lu Jiang. In determining the interview object, the project team required the interviewee's position must be directly related to the enterprise's overseas business to ensure that they had access to first-hand data. At the same time, the study ensures that samples from different levels, not only the senior managers of enterprises, but also related to front-line positions. Interviewers also come from different regions of the overseas business department, and some from Europe, and some from North America.

In accordance with the above principles, the project officially launched in September 2015, and the smoothly collected all the required data. Until September 2016, the project team interviewed 10 enterprises and nearly 40 employees were interviewed, finishing about 150,000 words of recorded materials.

Open Coding

Data Collection

All data from this study were collected from in-depth interviews with textual data from October 2015 to September 1, 2016.

Open Coding

Open coding refers to the process of conceptualizing and categorizing the data records that interviewed, conceptualizing and categorizing the data correctly,

and breaking, crumpling, and reintegrating data records and abstract concepts. The purpose of open coding is to identify phenomena, define concepts, and find categories to deal with the problem of convergence.

According to the requirements of open coding, we first obtain the interview text data encoding. In order to better analyze the content of each sentence in the interview, the number of open coding contains: Enterprise number—page number—sentences line, such as coding 3-2 -1 indicates the contents of the first line of the second page of our textual data after the interview with Shanghai Bell Group.

After a lot of analysis and labeling, the study finally abstracts 25 concepts and their subordinates from the data.

Axial Coding

Axial coding uses cluster analysis to build relationships between different categories formed from data and materials coded from open coding. When we try to build relationships, we analyse all kinds of categories to find hidden coupling connection with different layers to search for clues(Kendall, 1999). We go through the open coding to find clues that show the veiled causality.

We find out the text from the deep interviews have certain relationships by axial coding. We classify them into ten categories by type classification and logical relationship.

Selective Coding

Selective coding refers to the process of selecting the core category, comparing it systematically with other categories, verifying the relationship between them, and supplementing the conceptualization of areas that haven't yet been fully developed. The main tasks of this process are to identify the key categories that can dominant other categories, developing the story line which compendiously explains the whole thing by categories and relationships developed from the interview data, and further developing more subtle and more complete features of these categories(Strauss & Corbin, 1998).

After open coding, axial coding and its correlation analysis, this study makes a continuous comparison of the original data, concepts, categories and especially the category relations according to the purpose of the study, and converts the core issues to the glacier model of the cultural influence factors that Chinese enterprises will face. This core category model, in fact, is the evolution of the classical theoretical model accord with the onion theory and iceberg model. The cultural factors of glacier model has three different layers. Following is an analysis of whether the three main categories of the glacier model in this study can dominant the other major categories.

Institutional theory combines institutional research with organization tightly, and studies the similarities and differences between organizations in the process of institutionalization, the impact of institutional environment on the organization, and how the institutional environment affects the structure and operation of the

organization. Scott argues that analytical framework of institutional theory can be divided into three parts: regulative system, normative system and cultural-cognitive system (Scott, 2001). Based on Scott's framework, this study constructs a three-dimensional "glacier model", which is used to construct a cultural factor model that influences the success of Chinese enterprises developing foreign market - accumulated snow layer, frozen ice layer, hidden water layer.

Theoretical Saturation Test

As a criterion for determining when to stop sampling, theoretical saturation test means analysts don't have to collect more data to further develop the feature of the categories. (Pandit, 1996). We code and analyse the preserved text and document to collect relevant information affecting the content of cultural influence factors of Chinese enterprises' developing foreign market.

After completing the open coding of the validation group, it was found that no new categories or relationships were formed. Therefore, the theoretical model described above can be considered to be saturated (Pandit, 1996).

Structure Analysis

Based on the theory of institutional civilization, this study adopts the method of grounded theory to conduct interviews with transnational cooperations in China. The study ultimately found a large number of influence factors closely related to culture through the data collation and coding. The research constructs the glacier model of Chinese enterprises' developing foreign market based on onion model and iceberg model and focus on the three layers: accumulated snow layer, frozen ice layer and hidden water layer.

Accumulated Snow Layer

Accumulated snow layer is the white top layer of the model, the dominant layer. This layer has lots of obvious features and has maximum degree of interaction with external forces. Accumulated snow layer represents the regulative system that has identifiable and structural features (such as "geographical factors"), which including investment country's political institutions and economic system that can learn from local laws and regulations.

This paper argues that the most obvious factor influencing developing foreign market is accumulated snow layer which includes political factors, legal factors, technological factors, enterprises strategy, enterprises attribute and national image. In terms of political factors, international relations and local politics are two important political factors affecting Chinese enterprises. In the global competition, international relationship has direct impact on the stability of its politics and economy especially in those countries with complicated relationships with other countries. Once the international relationship between China and home country changes a little, it will cause great influence on the enterprises in home

country. The local political stability is also vital to Chinese enterprises, especially in those countries with multi-parties or in war time.

This study suggests that the local institutions, market transparency, Chinese policy and corruption, as part of the legal system, also play an important role. Local legal environment directly affects the flexibility of Chinese enterprises, while market transparency determines which strategy Chinese enterprises will choose to “Going Global”. In some countries and areas with higher market transparency, institutions are more important than interpersonal relations, and Chinese enterprises have to enhance its own ability to get competitive advantage. While in the environment with lower market transparency, Chinese enterprises should have some special access to get sufficient information to protect their own interests. Corruption happens in many countries and it depends on the local institutions, however, it is a forbidden area in most western enterprises.

The technological factors in this study are mainly related to the manager’s financial knowledge. In the increasingly competitive global market environment, enterprise managers must have a more complex knowledge system, in which financial knowledge is an essential skill. Managers should know some common sense like foreign exchange, insurance and international trade, otherwise the enterprises will get into trapped.

One more identical feature is the strategy Chinese enterprises may use, for example localization strategy in home country, human resource strategy and local cooperation mode. Localization strategy is the final form when Chinese enterprises enter local market which requires Chinese enterprises hire local employees, produce and sale products that meet native residents’ needs. This is the most difficult part of the process and still in the exploration stage. Human resource strategy is mainly about how enterprises employ staffs, whether we should hire local people, especially the senior managers. On the one hand, local managers who know market price level and structure can help enterprises better get used to local environment. For another, China has huge culture difference with foreign countries which make cause misunderstandings and conflicts and finally influence the work efficiency. Another strategy problem that should take into consideration is cooperation mode before they enter the domestic market. Chinese enterprises enter the market alone, or with other Chinese enterprises, or with local enterprises. Besides, like the human resource strategy, choosing the proper CEO is also a considerable decision that will influence the realization of strategic objectives.

In this study, the firm attributes were included as the intuitive factors, including firm size, export product attributes, and internal management system. The scale of enterprises mainly discussed the scale of large enterprises, small and medium enterprises and other factors on the impact of Chinese enterprises to go globally. Small companies with weak foundation and weak financial strength are hard to resist risks, and cannot withstand the impact of the local market. However, small enterprises also have the characteristics of higher flexibility, which can complete emergent events and ensure the efficiency of work in a relatively short period. Correspondingly, large enterprises have strong resistance to the impact of the local market due to abundant financial resources, and more human resources. However, large enterprises with large and complex structure where things are

often inefficient processing, cannot quickly resolve customer needs. Therefore, the scale of enterprises is also an important factor affecting the process of developing foreign market.

Frozen Ice Layer

The light gray part is the middle layer of the model, the "frozen ice layer". It lies between the "accumulated snow layer" and the "hidden water layer". "Frozen ice layer" on the one hand was extrusion by the external forces and the "accumulated snow layer" and condensed river water into ice; the other hand, its origin is river water from the "hidden water layer", but easy to be found. This level mainly refers to the social culture that sometimes can known as the behavior, speech and other people perceived, and sometimes the embodiment of consciousness, thought, moral bottom line which is difficult to be perceived "values" aspects.

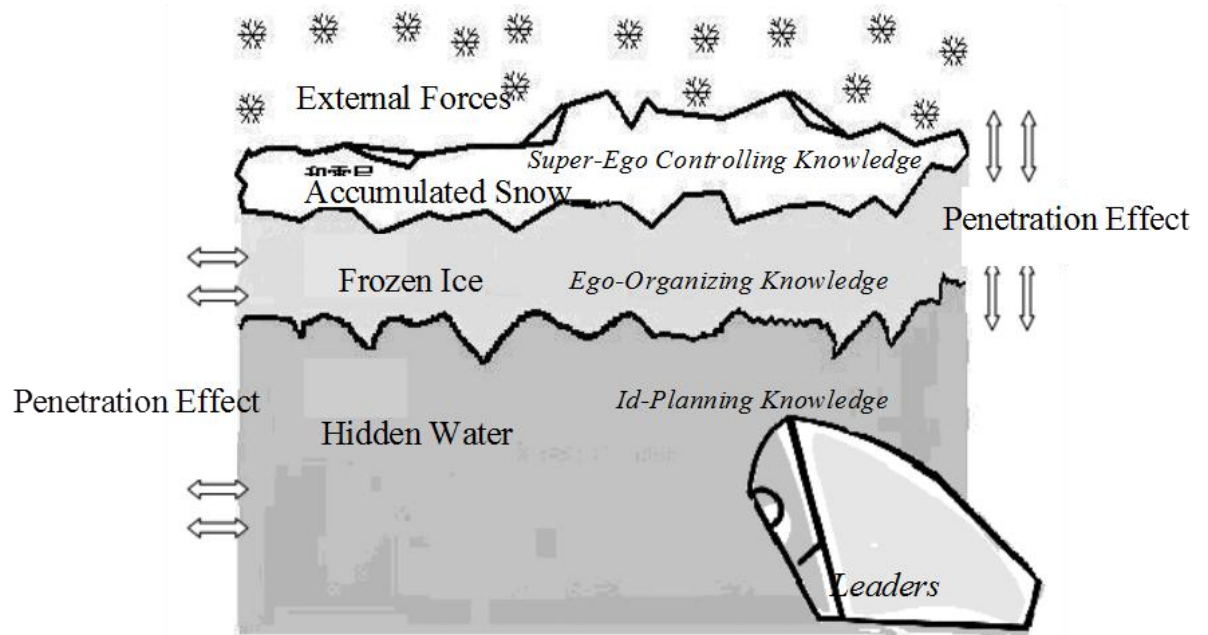
In this study, we find that cultural factors include education, social organization and values. Among them, the values and social organizations are two important factors.

Value is based on a certain person's thinking on the senses made on the cognition, understanding, judgment or choice, that is, people identify things, to determine the right or wrong of a thinking or orientation, which reflects people, things, a certain value or action. During the interview, most of the employees or managers reflected the differences in values between the Chinese and other countries. This is also an important factor that hinders Chinese enterprises from adapting to the local environment. For example, there are significant differences between China and the West in terms of institutional role, process cognition, and conceptual conflict. This difference makes Chinese enterprises need to keep abreast of, recognize and actively adapt to these differences. At the same time, people's thinking habits and social responsibility awareness are also two main factors. Because of people's living environment, historical factors, resulting in the thinking habits of the West there are differences. For example, there are some differences between the two countries with respect to details and strategic direction. In addition, the results of the present study show that Chinese companies are better than Western countries in social responsibility, Chinese managers will be more "humanity", and help the implementation of corporate social responsibility.

Hidden Water layer

Dark gray part of the model in the bottom is hidden in the depths, and it is difficult to touch. It is located under the "accumulated snow layer" and "frozen ice layer" and is difficult to be found. In addition, water is the origin material of "frozen ice layer" and "accumulated snow layer". It is the "philosophical foundation" of the formation and development of the civilization thought and the "basic hypothesis" of the world cognition. It is the basic expression of the civilization which is different from the other civilization. These philosophical

ideas and basic assumptions form the basis of a society's basic values and moral norms.



It should be pointed out that the "glacier model" is different from the previous "onion model" and "iceberg model" (Huang & Wong, 2015). In the onion model, the culture can be divided into three layers: the surface layer (what we usually observe), the middle layer (referring to a social norms and values), the core layer (referring to a common social on why there is , It touches upon the deepest and most unquestionable thing in the society) (Young, 2008). The iceberg model regards culture as two parts: the dominant part (ie, the part that can be seen floating on the water), the recessive part (that is, the part invisible in the water). The underwater part of the culture is much larger than the part of the water (Stephan & Uwe, 2014). In other words, we usually observe the cultural state, the cultural representation is only the tip of the iceberg, the real cause of different parts of the representation are hidden in the water.

The common theoretical contribution of the onion model and the iceberg model is to reveal the hidden features of culture (Huang & Wong, 2015). "Onion said," from a cross-sectional perspective of cultural interpretation of the inner and outer levels of the points; "Iceberg" from the vertical perspective of interpretation of cultural depth of the points. Their common theoretical shortcomings are: are based on "cultural view" put forward, rather than based on "civilized system view." There are some layers of mutual penetration in the view of civilized system, which can not be expressed in these two models. In addition, the two models, are suitable for describing the status of a monomer, if you want to analyze a civilized institutional environment, not suitable. Eide Shean (1998) has improved the two models, proposed a "three-level corporate culture model", only the form of iceberg loaded into the three-tier onion content (Peltonen, 1998).

"Glacier model" is the integration of "onion model", "iceberg model" based on the development and beyond the "Shane model." First of all, it inherits the

"onion" metaphor and "iceberg" metaphor in the stratified thinking, but also stressed the various levels of "mutual penetration" relationship. Especially in the frozen layer is the result of the interaction of the upper and lower snow layer and the river water layer; Secondly, the role of external force in the model to further highlight the historical development of civilization and civilization in the interaction between the cultural level theory Thirdly, based on the view of "civilized system" and "knowledge" rather than "cultural view"; fourthly, the "ice model" is not only suitable for describing an institutional environment or civilization The situation of the environment (based on the three levels of the system) explains the civilized environment upon which a management model is derived and is also suitable for the visual description of the status of a single entity (based on three levels of knowledge) for the visual representation of a management model.

Conclusion and Future Research Directions

Research Conclusions

Based on the grounded theory, this study analyzes the cultural factors that Chinese enterprises develop foreign market by the Belt and Road Initiative. Through interviews with enterprises, the following conclusions are reached and the research questions mentioned above are answered.

First of all, the cultural factors are multidimensional. Chinese companies often encounter many cultural factors, including snow layer factors, the freezing layer factors and river layer factors. Studies have often been based on the Western background, or do not systematically analyze the cultural factors. Based on the theory of neo-institutionalism, the glacier model constructed in this study divides the different types of cultural factors into the three categories above, which makes up the gaps in previous studies. The study finds that, compared to many other factors, values and institutional factors are extremely important factors that affect the success of Chinese enterprises' developing foreign market.

Second, the three cultural factors are related to each other, mutual penetration. For example, between the snow layer and the frozen layer, between the frozen layer and the river water layer, mutual penetration, interrelated. Part of the cultural factors and even dissociation between the two factors, but also have an important impact on the internationalization of enterprises. This study expands the past study of the internationalization process of the enterprises and enriches the development of the internationalization process theory. At the same time, this study uses the theory of rootedness to construct a new system theory, which contributes to the development of Chinese localization management theory.

Thirdly, cultural factors influence the performance by influencing Chinese enterprises' "Going Global" strategy. Specific impact mechanism is shown in Figure 3. That if Chinese enterprises can successfully go out, in essence, is determined by its international strategy, and the internationalization of the strategy has been affected by different cultural factors. Such as religious factors, they can

directly affect the internationalization of Chinese enterprises strategy. Chinese financial institutions, such as banks, want to enter the bank, it must take into account the principle of prohibition of interest in the Koran.

Management Inspiration

This study analyzes the cultural factors influencing Chinese enterprises' developing foreign market and its influence mechanism through the theory of taking root and analyzes the cultural factors that Chinese enterprises have been hampered in overseas business. Combined with the cultural factors, glacier model, proposed in this study, the deep-seated factors of culture were explained from three layers: snow layer, frozen layer and river layer. This study has some practical significance in management.

First of all, for enterprises, the snow layer of this study emphasizes the political, legal, science and technology impact on Chinese enterprises, while the study found that the political and legal factors are more important. Therefore, on one hand, managers of Chinese enterprises have to fully understand the relevant laws of the host country, the proposed direct employment in the local legal adviser. At the same time, in the development of overseas markets, the need to target the risk assessment and take full account of the local political factors. In building a good relationship with the local government-government relations, we need to take into account the stability of government, officials. Frozen layer emphasizes education, values and social organization, which is also an important reference for Chinese enterprises. For overseas companies, training should be conducted in time to help employees adapt quickly to foreign cultures and the environment (Forster, 2000). At the same time, they need to understand the values of local people, overtime attitude of local staff, understanding of social responsibility and also need to be considered in detail. The river water layer mainly involves the language and the religion, also is the most direct factor that the overseas Chinese enterprise influenced. For the enterprise, the language can be resolved through the employment of professional translators. On the religious front, the pre-post cultural training allows employees to understand local customs and religious beliefs and avoids conflicts caused by different religions and beliefs (Forster, 2000).

Second, for government departments, the conclusions of this study can provide a reference for it to help them develop a more reasonable system to help Chinese enterprises in the process of internationalization. For example, government departments are encouraged to provide more financial support to Chinese enterprises in economically underdeveloped countries and to provide cultural training for local Chinese enterprises. In addition, we must increase the development of national education efforts, efforts to cultivate borderless, international management talents.

Research Limitations And Future Directions

At present, there are a lot of controversies in the academic field about the theory of rootedness, which mainly concentrate on its validity, reliability, extension and ethical morality (Corbin & Strauss, 2014). Whether the conclusions drawn in this study are more general, it is necessary to conceptualize and operationalize some of the categories in the follow-up study, carry out questionnaires and carry out empirical research. Quantitative data analysis to test the correlation between the different variables in the model is the future need to be further explored. In addition, grounded theory can better reveal empirical relationships between generic categories or variables, but as a qualitative research method, it can not accurately examine the effect of two categories or levels of one variable on the other Influence (Mahnke, Benlian, & Hess, 2015). Therefore, in addition to adhere to the qualitative research methods, but also encourage more scholars to continue to use quantitative research, empirical testing of various factors on the effect of Chinese enterprises' developing foreign market by the Belt and Road Initiative.

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