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***GUANXI* INFLUENCE SYSTEM: UNDERSTANDING
INFLUENCE TACTICS FROM THE PERSPECTIVE OF
*GUANXI***

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SCHOOL OF HUMANITIES AND SOCIAL SCIENCES
2015**

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INFLUENCE TACTICS FROM THE PERSPECTIVE OF
*GUANXI***

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Abstract

The overall goal of this research project is to use the perspective of *guanxi* to better understand the use of influence tactics in workplace relationships in Singapore. Influence tactics are a form of communication between individuals in the workplace. They convey different messages depending on the type of tactic employed and the setting in which they are used. Culture might be expected to impact the perception of which tactics are most socially appropriate and effective in the workplace. However, to date, no study has examined whether the pattern of influence tactics deemed most appropriate and effective in the United States, holds true in a Chinese society. In Study 1, I examined this question in the context of Singapore. I found that while Singaporean participants endorsed the same set of influence tactics as reported for Westerners as appropriate for the workplace, they endorsed a different group of influence tactics as more effective. To gain a greater depth of insight into cultural differences in the perception of workplace influence tactics, in the second study I made a closer examination of how influence behaviours are perceived in the workplace. Specifically, I selected gift-giving as a concrete behavioral example of the operation of a set of influence tactics related to *guanxi* as the focus of Study 2. The results from the second study showed that only Singaporean participants associated work-related gifts with the concept of trust, while Western participants did not. This pair of studies contributes to a better understanding of how employees navigate through complexities of *guanxi* principles in a law abiding Singaporean workplace and how *guanxi* can be understood with influence tactics.

INTRODUCTION

This paper set out to answer the question: can the perspective of *guanxi* be used to better understand the application of influence tactics in workplace relationships in a Chinese society? The first study explored whether the set of influence tactics identified as most effective and appropriate in Western workplaces is also perceived as effective and appropriate in a society in which *guanxi* principles are operational (i.e., Singapore). The second study focused on workplace gift-giving, an example of the operation of a system of influence tactics that were connected to *guanxi*. The paper contributed to a better understanding of how Singaporean employees navigate through complexities of *guanxi* principles in a law abiding Singaporean workplace and how *guanxi* can be understood as a system of influence tactics. The study also revealed that people may have different responses when they are evaluating others and themselves in the same scenario. In addition, the study found that in the Chinese workplace context gift-giving behaviours are important, not only for building *guanxi* but also for trust building.

Getting a gift for a superior, seeking help from a colleague, and even a simple handshake are examples of influence tactics that occur in the workplace. Influence tactics are an important way of accomplishing work goals (Yukl, Chavez, & Seifert, 2005). Nine influence tactics have been widely validated: legitimating, rational persuasion, inspirational appeal, consultation, exchange, personal appeals, ingratiation, pressure, and coalition (Falbe & Yukl, 1992; Yukl, Falbe, & Youn, 1993). Their effectiveness can vary, and not all tactics are equally effective (Yukl & Falbe, 1990).

A successful influencer not only has to develop the ability to distinguish the right occasion to employ the appropriate tactic, the influencer also has to possess the capability to execute it successfully (Bolino & Turnley, 2003). Research has shown that in a workplace context, legitimation (Yukl & Tracey, 1992), rational persuasion (Schriesheim & Hinkin,

1990), inspirational appeal (Yukl & Falbe, 1990), and consultation (Vroom & Yetton, 1973) are perceived to be more effective and appropriate than other influence tactics. However, few studies have examined whether this set of influence tactics, which is effective in a Western context, is also seen as appropriate and effective in other cultures (e.g., U.S., China, Switzerland, Hong Kong; Fu & Yukl, 2000; J. Kennedy, Fu, & Yukl, 2003).

Especially surprising is that little research on influence tactics has been conducted in Chinese societies, given the abundance of research on *guanxi*, which can be seen as a system of influence because it determines the effectiveness of appeals for resources (see K. Hwang, 1987). *Guanxi* is traditionally regarded as a form of interpersonal relationship (D. Hwang, Staley, Chen, & Lan, 2008; Leung et al., 1996; Xin & Pearce, 1996) that is both instrumental and expressive in nature (K. Hwang, 1987; Jacobs, 1979). It has its roots in Confucianism (Lovett, Simmons, & Kali, 1999) and can be defined as a connection between people built upon reciprocity (Peng, 2001) and moral obligation (Tsui & Farh, 1997). Employees who have good *guanxi* with their superiors have a higher degree of perceived power and influence (Tjosvold, Hui, & Law, 1998) as they can use their *guanxi* to influence decisions and resource allocation in their favor. Examples of beneficial outcomes of *guanxi* influence are abundant in the literature. However, despite its clear application, *guanxi* has not been specifically examined as an influence tactic. The overall goal of this research project is to use the perspective of *guanxi* to better understand influence tactics in workplace relationships. I selected Singapore as the context for addressing this question because both Western and Confucian influences coexist in Singapore. The government has put a lot of effort into emphasizing meritocracy and educating people not to rely on *guanxi* relationships in the workplace, yet Singapore is still very much a society in which traditional Chinese values are embedded. I was interested to find out whether results from Western studies would hold, or

whether *guanxi* as an influence system would give rise to a different pattern of results. To achieve this goal, I conducted two studies.

The first study explored whether the set of influence tactics identified as most effective and appropriate in Western workplaces is also perceived as effective and appropriate in a society such as Singapore. In Study 1, Singaporean university students ranked the effectiveness of the nine influence tactics established by Yukl and colleagues (1996) and they rated their social appropriateness, and the degree to which the tactics described their own behavior. Analysis of the results indicated that 1) Singaporeans perceive the same set of influence tactics as Westerners to be appropriate for the workplace; but 2) Singaporeans do not see this same set as most effective in the workplace. The influence tactics they see as most effective are the ones that are most closely aligned with the operational principles of *guanxi*. Moreover, 3) unlike Western influence tactics, which are typically used independently or in a mix and match manner, in Singapore, the influence tactics identified as effective tend to be used as a set, as might be expected for behaviors operating under *guanxi* principles.

Study 1 focused directly on identifying Singaporean's perceptions of common influence tactics. In Study 2, I examined influence tactics from an applied perspective and I collected both U.S. and Singaporean data sets so that I could explore cultural elements of my findings. I selected a concrete behavioral example of a universal behavior representing operation of the set of *guanxi* tactics identified in Study 1: gift-giving. I expected to identify differences in the meaning and implications of the application of influence tactics through gift-giving because the act of gift-giving in the West is welcomed during appropriate festivities, but generally frowned upon in a workplace context because of its implications for influence. However, in Chinese societies, there is no dichotomy of appropriateness for gift-giving because gift-giving is natural expression of *guanxi*.

Study 2 was conducted in two phases. In Study 2a, Singaporeans were surveyed to assess their perceptions of gift-giving in general and with regard to some workplace scenarios in which a manager receives a gift from a client. Participants indicated how the manager would perceive the meaning of the gift, the appropriate timing for gift-giving, the impact of the gift on the manager, what they thought the manager should do regarding the gift, and what they would do if they were the manager. I expected to find that Singaporean participants understand that it is inappropriate to receive gifts in a workplace context due to the inoculation of Western beliefs and values through the Singapore education and workplace systems. I also proposed that despite the inappropriateness of accepting gifts, gifts also have a positive effect on the smoothness, closeness, and expectation of future business dealings. I conducted a post-hoc qualitative survey to add insight into the quantitative results of the quantitative survey.

In Study 2b, I recruited U.S. participants to complete the same online qualitative survey as completed by Singaporeans in Study 2a. The analysis revealed that Singaporean participants had a deep understanding of how their actions pertaining to gift-giving are embedded within *guanxi* principles in the Singaporean workplace. As predicted, only Singaporean participants interpreted the process of gift-giving with influence tactics that relate to *guanxi* principles, and they also saw gift-giving as associated with building trust. The results from Study 2 supported the contention that gift-giving is an essential *guanxi* activity in the Chinese business context. The additional insight was the role gift-giving has in building trust, which counterbalances some of the negative connotations of merely trying to obtain influence.

This study has some implications for businesses in Singapore. Companies should note that influence tactics that adhere to the principles of *guanxi* (i.e., pressure, coalition, ingratiation, exchange, and personal appeals) are both socially appropriate and effective in

the Singaporean workplace. Employees can enhance their influence in the workplace by utilizing the *guanxi* influence system and gift-giving behaviours naturally activate all five influence tactics in the *guanxi* influence system. While receiving gifts had a positive effect of the quality of business relationship in the future, results also indicated that gifts were not the only means of building trust in the Singaporean workplace. Therefore, employees should understand the intricacies of gift-giving such that it will not be perceived as a bribe or cross the boundaries of the law.

Study 1: Are Western Influence Tactics Perceived as Effective and Appropriate in Singapore?

Introduction

Influence tactics are vital for success in the workplace because they are an important tool for getting work tasks accomplished (Yukl et al., 2005). They function as a system to convey messages to a target in attempt to fulfil workplace goals (Frazier & Rody, 1991). Examples range from giving a congratulatory gift to a newly promoted supervisor, asking a co-worker for advice on a project, and even extending a firm confident handshake to a subordinate. The skill and knowledge involved in knowing when to apply certain influence tactics is what makes them effective (Keys & Bell, 1982). Successful application of the right tactic at the right time in the right context can give rise to good results in the workplace (Frazier & Summers, 1986). In this study I examine the relation between *guanxi* and influence tactics. In the following, I first review the literature influence tactics, and then consider *guanxi* from the perspective of influence tactics.

Definition and Features of Influence Tactics

Researchers in the West have defined influence tactics as the use of power to effect change (Yukl, Kim, & Falbe, 1996). Influence is the process by which people successfully persuade others to follow their advice, suggestion, or order. In contrast, power is a personal or positional attribute, and can be thought of as “continuing or sustained” influence” (Keys & Case, 1990, p. 38).

Influence tactics can be directed upwards towards a superior, downward at a subordinate, or laterally towards a peer, and they can generally be categorized into hard, soft, and rational tactics (D. Kipnis & Schmidt, 1985). They can be applied within the organization (i.e., intrafirm influence tactics; Venkatesh, Kohli, & Zaltman, 1995) or between organizations (i.e., interfirm influence tactics; Frazier & Summers, 1984).

Interest in influence as a target of research began as an exploration of intrafirm tactics (D. Kipnis, Schmidt, & Wilkinson, 1980) and focused mainly on the influence exerted between superiors and subordinates, and among co-workers within the same organization. Kipnis and colleagues initially identified eight influence tactics and focused on comparison of these tactics used in an upward, lateral, and downward manner. This initial study grouped the tactics into three classes, namely strong, weak, and rational (D. Kipnis, 1984), the first two of which were subsequently relabeled *hard* and *soft* (e.g., Barry & Shapiro, 1992). After various iterations over a decade of research, a consolidated list of nine influence tactics has been widely validated. These include: legitimating, rational persuasion, inspirational appeal, consultation, exchange, personal appeal, ingratiation, pressure, and coalition. As there are many similarities between the intrafirm and interfirm tactics, researchers have found that intrafirm influence tactics are adaptable for interfirm usage (Bignoux & Gray, 2011; Boyle, Dwyer, Robicheaux, & Simpson, 1992). Thus, in this paper I use the intrafirm labels for both intra and interfirm contexts. The literature on each of the nine influence tactics is reviewed in the following.

Legitimizing tactics involve seeking “to establish the legitimacy of a request by claiming the authority to make it by verifying that it is consistent with organizational policies, rules, or traditions” (Falbe & Yukl, 1992, p. 643). These tactics are often coupled with authoritarian leadership (Vroom & Jago, 1988), and have been observed to be closely associated with downward influence efforts (Yukl & Seifert, 2002), with some research showing its effectiveness when utilized by superiors towards subordinates (Yukl, Guinan, & Sottolano, 1995), although legitimating tactics are most frequently used amongst peers (Yukl & Tracey, 1992). Although supervisors may accede to requests based on legitimacy (Yukl & Falbe, 1991), research has found legitimating tactics to be among the least effective (Falbe &

Yukl, 1992; Keys, Case, Miller, Curran, & Jones, 1987; Schilit & Locke, 1982) as they may result in resistance (Yukl, 1989).

Rational persuasion involves using “logical arguments and factual evidence to persuade a target that a proposal or request is worthwhile” (Falbe & Yukl, 1992, p. 641). It is considered a low risk tactic that can be adapted to fit a variety of situations (Yukl & Tracey, 1992). Research has found that rational persuasion is the most frequently employed tactic in the workplace (Schriesheim & Hinkin, 1990), regardless of the target (Yukl & Falbe, 1990). Some researchers even consider it the “most successful strategy” (Schriesheim & Hinkin, 1990, p. 235). In the literature, rational persuasion was most frequently directed at supervisors (Erez & Rim, 1982) when seeking support (Ansari & Kapoor, 1987; Schmidt & Kipnis, 1984). Co-workers also reported that they utilize rational persuasion frequently (Yukl & Seifert, 2002). Rational persuasion was least frequently utilized by superiors when dealing with subordinates (Yukl & Tracey, 1992). However, managers who obtain the best scores for their performance tend to utilize rational persuasion the most frequently (D. Kipnis & Schmidt, 1988), as it is the preferred influence tactic in the workplace (Fu & Yukl, 2000; Thompson, 1967). Research has shown that rational persuasion has intermediate levels of effectiveness in the workplace (Falbe & Yukl, 1992), with increased effectiveness when both the influencer and target both have common goals (Yukl, 1990). The effectiveness of this tactic is boosted when used in combination with various soft tactics (e.g., consultation, ingratiation, and inspirational appeals; Falbe & Yukl, 1992). However, the level of effectiveness for this tactic is also found to be moderated by the reliability of the individual who is exercising the tactic (Case & Keys, 1990).

Inspirational influence tactics are usually employed by leaders to make “a request or proposal that arouses enthusiasm by appealing to a target’s values, ideals, and aspirations, or by increasing the target’s confidence that he or she can do the requested task” (Falbe & Yukl,

1992, p. 640). Inspirational appeals strike at the emotions and ideals of the target. They constitute an essential component of transformational and charismatic leadership styles (Bass, 1985; Cable & Judge, 2003; Conger & Kanungo, 1988). By incorporating a communication style that is emotive, inspirational appeals highlight the significance of a workplace goal, and stirs up the aspirations of the target individual to rise up and take on the task. This form of influence also resonates with the individual's righteousness and/or allegiance to the company. Inspirational appeals are most frequently directed towards subordinates (Yukl & Falbe, 1990; Yukl et al., 1995; Yukl & Seifert, 2002), with peers second, and least frequently towards supervisors (Yukl & Falbe, 1990). This tactic has been found to be highly effective in the workplace (Yukl & Tracey, 1992), with some researchers considering it to be the most effective of tactics when employed in a downward and lateral fashion (Falbe & Yukl, 1992).

Consultation involves seeking “a target's participation in planning a strategy, activity, or change for which the target's support and assistance are desired, or the agent is willing to modify a proposal to deal with the target's concerns and suggestions” (Falbe & Yukl, 1992, p. 641). Consultation is a widely examined concept in the realm of leadership, spanning more than 30 years (Yukl, 1989). It is considered to be an effective tool in management because it can result in commitment to a project or decision in the workplace by simply getting the employees to be a participant in the implementation journey (Vroom & Jago, 1988). By becoming involved in the process, individuals become invested in the outcome and try their best to ensure its success. The influence tactic of consultation has been found to be closely related to participative leadership (Falbe & Yukl, 1992). Although it does not always result in commitment to the organizational plans, it is still frequently utilized in the workplace (Heller, 1971). Consultation tactics were most frequently directed in a downward fashion (Yukl & Seifert, 2002), with its utilization as a lateral form of influence ranking second, and its usage as an upward influence coming in last (Yukl & Falbe, 1990). Research regards consultation to

be amongst the most effective amongst tactics (Falbe & Yukl, 1992), with targets reporting consultation to be an effective influence when directed towards supervisors (Schilit & Locke, 1982). It has also been ranked as the most appropriate influence tactic in situations where the supervisor requires support from the employees to implement a decision in the workplace (Vroom & Yetton, 1973).

Exchange tactics involve making “explicit or implicit offers by an agent to provide a favour or benefit to a target in return for doing what the agent requests” (Falbe & Yukl, 1992, p. 642). Exchange tactics entail a present act by one party in order to gain a future benefit. This tactic produces within the target an unspoken indebtedness to reciprocate the gift, assistance or favour received previously (Gouldner, 1960). It is commonly utilized when both nodes of the dyad perceive the other to be on par with themselves in terms of having the upper hand in the relationship, yet knowing that the other party requires something they possess (Thibaut & Kelly, 1959). The concept of exchange has been linked to the Leader-Member Exchange theory (Liden, Sparrowe, & Wayne, 1997). Although exchange tactics are least employed towards a supervisor (Yukl & Falbe, 1990; Yukl & Tracey, 1992), they were most commonly observed among co-workers at the workplace (D. Kipnis et al., 1980; Yukl & Falbe, 1990; Yukl & Tracey, 1992) as these similarly ranked individuals rely on each other to increase the potential of workplace success (Cohen & Bradford, 1989).

Exchange tactics are closely associated with downward influence efforts (Yukl & Seifert, 2002) and were often utilized in a downward fashion (Yukl & Falbe, 1990; Yukl & Tracey, 1992). Despite its widespread use, it was also observed that when exchange tactics was utilized by supervisors, there was a drop in helping behaviours among low-leader member exchange (LMX) subordinates and not with high-LMX subordinates (Sparrowe, Soetjijpto, & Kraimer, 2006). However, there has been some conflicting evidence on the usage of exchange tactics in the workplace. Some research has found that exchange was not

frequently used by supervisors (Schriesheim & Hinkin, 1990; Yukl et al., 1995), with some considering it inappropriate for the workplace as it involves the manipulation of others (Falbe & Yukl, 1992; Yukl et al., 2005). A recent study also found that exchange tactics were the least utilized by respondents (Jensen, 2007; see Appendix A). Exchange was not considered a socially acceptable tactic in the process of policy decision-making (Jensen, 2007). A meta-analysis across studies revealed that exchange was not significantly linked to individual level work outcomes (Higgins, Judge, & Ferris, 2003), with some researchers claiming that this particular tactic is anchored upon external incentives and “impersonal transactions” (Falbe & Yukl, 1992, p. 642). While research has shown that exchange tactics have intermediate levels of effectiveness in the workplace (Falbe & Yukl, 1992), with evidence of its effectiveness only when targeted at co-workers (Yukl et al., 1995), some studies find that it results more in compliance than commitment (Yukl, 1989).

Personal appeal involves reaching out “to the target’s feelings of loyalty and friendship to influence the target to do something unusual or extra as a special favour” (Falbe & Yukl, 1992, p. 642). Some consider it to be the most successful strategy (Schriesheim & Hinkin, 1990). Research has shown that personal appeal has intermediate levels of effectiveness in the workplace (Falbe & Yukl, 1992). Although, some studies did not show that this tactic was successful when targeted at supervisors (Case, Dosier, Murkinson, & Keys, 1988; Schilit & Locke, 1982). There is evidence that personal appeals are effective only when directed at peers (Yukl et al., 1995).

Ingratiation involves getting the target individual in a good mood before making a request (Falbe & Yukl, 1992). It is a form of influence that commonly incorporates two patterns of action: opinion conformity, or verbal declarations that substantiate and endorse another individual’s opinion, and sycophancy, an activity that exalts and enhances another in an attempt to get into the person’s good books (Higgins & Judge, 2004).

Research has found that ingratiation is frequently used by supervisors with their employees (Schriesheim & Hinkin, 1990). Such behaviour is positively related to positive consequences such as task commitment (Yukl & Tracey, 1992) and puts managers in a more likeable position. Praising one's subordinates can be an indication of concern, conveying that they matter to the company, hence making the superior appear affable and winsome (Bass, 1985). Flattering and paying compliments to others can increase one's likability via reciprocal attraction (Jones, 1990). Norms of reciprocity are triggered and the target might return the favour due to the internal emotion of indebtedness to the ingratiation (Cialdini & Goldstein, 2004). Ingratiation is fundamentally about building a good relationship with the target audience (Kumar & Beyerlein, 1991).

Some researchers have investigated the extent to which upward ingratiation can account for positive workplace assessments and substantial income growth (Fiss, 2006). High ranking managers who were involved in flattery and opinion conformity towards the Chief Executive Officer (CEO) had a greater probability to be selected for board appointments at organizations where the CEO was also the director (Westphal & Stern, 2007). When a director from an external organization ingratiated another director on the committee for nominating board members, that ingratiation would have a greater chance of receiving a board position (Westphal & Stern, 2007). Similarly, a positive relationship exists between an employee's ingratiation efforts and the promotability of that individual (Orpen, 1996).

Despite the apparent benefits of ingratiation, the effectiveness of ingratiation in the Western workplace seems inconclusive. It can backfire (Thacker & Wayne, 1995). The reason lies in the target's perception of the influence attempt. This tactic seeks to incite positive affect in the target (Liden & Mitchell, 1988). Targets who see the influence tactic as containing a hidden agenda will resist influence (Liden & Mitchell, 1988). Overall, while some studies have shown that ingratiation yields intermediate levels of effectiveness in the

workplace (Falbe & Yukl, 1992), its effectiveness is still inconclusive (Erez, Rim, & Keider, 1986; Schmidt & Kipnis, 1984).

Pressure involves the use of “demands, threats, frequent checking, or persistent reminders in an attempt to influence a target to carry out a request” (Falbe & Yukl, 1992, p. 642). Examples of this can be seen in the workplace when a supervisor walks around the workspaces of the employees to ensure that they are not slacking. The tactic of pressure has been correlated to leadership styles that are tyrannical or abusive (Bies & Tripp, 1998; Tepper, 2000), as it is based on coercive power. Pressure influence tactics are commonly directed downwards towards subordinates rather than in an upward or lateral fashion (Yukl & Seifert, 2002). They are least employed with peers (Kim & Yukl, 1989) or superiors (Kim & Yukl, 1989; Yukl & Falbe, 1990).

Pressure tactics are among the least effective of all tactics (Falbe & Yukl, 1992). Managers who use them often receive the lowest performance scores (D. Kipnis & Schmidt, 1988). This is because tactics that involve threats and coercion are generally not effective (Farrell & Schroder, 1996; Frazier & Summers, 1986). Pressure was also perceived as ineffective when directed at superiors (Case et al., 1988; Schilit & Locke, 1982), particularly if an employee is attempting to bypass the immediate supervisor in a display of threat (Yukl & Falbe, 1990). Such behaviours can potentially lead to negative implications for the individuals involved (Boyle & Dwyer, 1995). Despite the pitfalls of pressure, studies have found that it can be highly effective when used to enhance subordinate performance in the workplace (Erez et al., 1986; D. Kipnis et al., 1980).

Coalition tactics involve obtaining “the aid or endorsement of other people to influence a target to do what the agent wants” (Falbe & Yukl, 1992, p. 643). Research found that the amount of power wielded by a company is inversely proportional to its desire to form coalitions with others (Dubrin, 1998). This concurs with previous research that found that

individuals often coalesce with others when they perceive themselves to be in a vulnerable state (Stevenson, Pearce, & Porter, 1985). Coalition can also be observed in the management level. When it seems unclear if a decision will be embraced or thrown out, coalition is often utilized to increase support and acceptance (Cohen & Bradford, 1989).

Coalition has been perceived as highly effective in various situations. These include the ushering in of organizational change, stirring up buy-in within supervisors for amendments to company policy, and exerting influence over a similarly ranked individual in the company (Kanter, 1982). However, while some studies have found coalition to be used by office personnel regardless of the target (e.g., superior, peer, and subordinate; Yukl & Falbe, 1990), especially so when the target is a superior (Ansari & Kapoor, 1987), some research also found that coalition was not frequently used by supervisors (Schriesheim & Hinkin, 1990), with some claiming that it is the among the least effective of tactics (Falbe & Yukl, 1992) as it does not lead to target commitment (Case et al., 1988). Managers who were rated poorest in their performance were also found to use coalitions frequently (D. Kipnis & Schmidt, 1988). However, it was perceived as effective when targeted at peers (Keys et al., 1987).

Effectiveness of Influence Tactics

Researchers have found that in certain situations, individuals might favour a particular influence tactic over another (Yukl & Falbe, 1990), but not all influence tactics are equally effective. Successful influencers have to develop the ability to distinguish the right occasion to employ the right influence tactic; they also need to possess the capability to execute it successfully (Bolino & Turnley, 2003).

Previous studies have attempted to gauge the effectiveness of influence tactics in a variety of ways. These included monitoring instances where the dyadic goals were successfully accomplished (Boyle & Dwyer, 1995), measuring the amount of satisfaction it

provided (Frazier & Summers, 1986), and calculating the probability of conflict the tactics incited between the individuals/organizations (Frazier & Rody, 1991). The most common method of measuring a tactic's effectiveness is to note the target's response to the influence attempt. There are three possible ways a target can respond: with commitment to the proposal, compliance to the request, or resistance to the idea (Falbe & Yukl, 1992; Yukl, 1989). Commitment occurs when the influence tactic successfully causes the target to agree intrinsically with the proposed idea or action and further stirs up a sense of passion within the target. The target is then more likely to be moved into action by carrying out the tasks with zeal. When the target responds to the influence tactic in a lacklustre fashion and goes about the task with little effort, compliance is said to have taken place. Compliance and commitment can be differentiated in a similar manner to how previous research distinguished the concepts of *internalization* and *compliance* (Kelman, 1958). Resistance ensues when the target, after being exposed to the influence tactic, openly rejects going about the task with various means (argue, delay, refuse, and/or stop the task).

Falbe and Yukl (1992) found that rational persuasion had a higher probability of evoking resistance than compliance or commitment, while other influence tactics (e.g., coalitions, legitimating tactics, and pressure) typically lead to compliance or resistance. Research has also shown that exchange, ingratiation, and personal appeals are moderate in effectiveness, while coalition, legitimating, and pressure influence tactics are significantly less effective as compared to consultation tactics and inspirational appeals (Falbe & Yukl, 1992). Increased usage of certain tactics (i.e., exchange, personal appeals, and pressure) also led to a decrease in commitment from the employees (Yukl & Tracey, 1992) as these tactics were most commonly employed when the individual is motivated to acquire benefits.

Research has also shown that of the nine intrafirm influence tactics, consultative, inspirational, and rational tactics not only have the highest probability of bringing about

commitment (Yukl et al., 1996), they also yield higher levels of effectiveness at the managerial level, while exchange, ingratiation, and personal appeals are most effective when directed laterally and downwards (at co-workers and subordinates; Yukl & Tracey, 1992). Research has shown how coercive influence tactics (e.g., promises, legalistic pleas, and threats) can negatively impact the target's satisfaction with the dyadic relationship (Bhal & Ansari, 2000; Boyle & Dwyer, 1995; Frazier & Summers, 1986), and increase the probability of conflict between the individuals/organizations (Frazier & Rody, 1991) to the point that the business partnership is terminated (Frazier & Summers, 1986).

Such tactics not only resulted in the reciprocation of similar coercive influence tactics from the target audience (Frazier & Rody, 1991), they also increased the possibility of the relationship ending prematurely (Frazier & Summers, 1986). This finding supports previous research that coercive tactics are abusive (Tepper, 2000), aggravate disagreements (Cadotte & Stern, 1979), and often result in compliance/resistance (Falbe & Yukl, 1992). On the other hand, influence tactics that were not coercive in nature (e.g., rational and soft tactics) resulted in an improvement in the quality of relationship between the dyad, leading to the successful completion of goals for the parties involved (Bhal & Ansari, 2000). Rational and soft tactics exhibited by the agent also had a positive impact on the target's decisions to purchase items while hard influence tactics did not have that effect (Farrell & Schroder, 1996).

The overall success and effectiveness of the influence tactics is dependent on multiple factors. One's choice of influence tactic (Falbe & Yukl, 1992) is a good place to begin because, depending on the situation, some tactics are more effective than others, thus allowing them to be more useful. The task, group, and individual features moderate the level of success the influence tactic has (i.e., tactic-situation fit; Carlson, Carlson, & Wadsworth, 2000).

Factors Impacting the Choice of Influence Tactics

The choice of influence tactics is dependent upon many factors. These include the individuals' gender (Thacker, 1995), occupation (Erez & Rim, 1982), temperament (Barbuto & Scholl, 1999), personality traits, relative position within the company, the group processes involved in the decision-making process (Guerin, 1995), the effectiveness of the tactic chosen (Yukl & Tracey, 1992), the choice of direction of the influence (upward, downward, or lateral; Yukl & Tracey, 1992) and the target's relative position within the hierarchy (Case et al., 1988), the size of the organizations involved (Erez & Rim, 1982), the task objectives of the individual (Ansari & Kapoor, 1987; Erez et al., 1986; Yukl et al., 1995), the quality of the relationship (Raven, 1993), and even the motivation behind the influence attempt (Barbuto & Scholl, 1999).

Another important factor that affects the effectiveness of influence tactics is the manner in which certain tactics can be ordered and amalgamated (Schmidt & Kipnis, 1984). For example, bypassing an individual in the hierarchy via one's superiors can be seen as a threat to the individual and hence a pressure tactic, while it can also be interpreted as an upward appeal towards one's supervisor. Seeking help from one's supervisors to influence another individual entails use of a coalition tactic, but it can also be seen as an upward appeal towards one's superiors. Similarly, gift-giving can be considered an ingratiating tactic as it pleases a target with gifts. Yet, it can also be considered an exchange tactic, for one expects a benefit in return for that given to the target.

Some researchers have also suggested that certain tactical combinations yield better results. For example, Falbe and Yukl (1992) found that when rational persuasion was used with a soft or a hard tactic, the results were more effective than if either was used independently. The amalgamation of a soft and a hard tactic proved to be just as effective as the soft tactic alone, although it was more effective than using the hard tactic independently.

The resulting effectiveness of two soft tactics superseded that of two hard tactics, as the usage of two hard tactics in tandem was no more effective than if either was independently employed.

When sales representatives combined various influence strategies (e.g., expert, impression management, integration, legitimate, and referent) to make their sales call, it was found that different sales situations had an effect on the decision of the sales representative when deciding which influence tactic to utilize (Spiro & Perreault, 1979). This finding supports the contingency framework proposed by Weitz (1981), which states that for the sales process to be effective, the sales representative's actions must be subjected to the resources of the sales representative, the nature of the buyer-seller connection, and the reason behind the customer's procurement.

In sum, research on influence tactics in Western contexts suggests that consultation (Vroom & Yetton, 1973), inspirational appeal (Yukl & Falbe, 1990), legitimation (Yukl & Tracey, 1992), and rational persuasion (Schriesheim & Hinkin, 1990) are the most effective tactics, and that these tactics tend to be used in a mix-and-match fashion depending on the situation (Falbe & Yukl, 1992). Research on influence tactics in Western contexts suggests that while exchange tactics are most commonly observed among co-workers (Yukl & Falbe, 1990) they are considered to be inappropriate (Falbe & Yukl, 1992) and socially unacceptable (Jensen, 2007) for the workplace as they involve the manipulation of others. Personal appeals were found to have varying levels of success in the Western workplace, depending on the target (Yukl et al., 1995). Ingratiation tactics may yield some positive results in the West (Cialdini & Goldstein, 2004), but such attempts could backfire (Thacker & Wayne, 1995). Pressure tactics were found to be the least used (Yukl & Falbe, 1990) and least effective (Falbe & Yukl, 1992) in the Western workplace. The use of coalition tactics was found to

vary in the West (Schriesheim & Hinkin, 1990) and considered to be the least effective tactic (Falbe & Yukl, 1992) in the Western context.

Chinese Culture and Influence Tactics

Guanxi is a particularistic connection between people (Leung, Wong, & Wong, 1996) that is built upon rules of reciprocity (Peng, 2001). It plays a significant role in the daily lives of people in Chinese societies (Michailova & Worm, 2003), guiding decision-making regarding future interactions (Kasperson, Golding, & Tuler, 1992; Peng, 2001). In the business world today, *guanxi* has been associated with concepts such as power, social status, and resource transmission (Hackley & Dong, 2001; Q. Huang, Davison, & Gu, 2008). To illustrate its prominence in Chinese societies, when managers from 19 distinct conglomerates were asked to rank 11 crucial factors that were important to their business in China, *guanxi* was the only factor to be consistently selected (Yeung & Tung, 1996). In a survey of 2000 Chinese individuals, *guanxi* was firmly established by the lion's share as being essential and valuable to society, with over 70% indicating *guanxi* as the key to resolving issues over legalistic structures (G. C. Chu & Ju, 1993).

Guanxi can also be observed in Singapore. Despite being exposed to a Westernized education system that includes learning about Western ideology (i.e., meritocracy), Singaporeans are influenced by Chinese values such as those in Confucianism (Hofstede & Bond, 1988; Triandis, 1989; Yan & Sorenson, 2004). Singaporeans acknowledge the role that Confucian values contribute to Singapore, and the manner in which they practice reciprocity in their daily lives (Monkhouse, Barnes, & Pham, 2013). This is because Confucianism is deeply embedded in the value system through local upbringing practices.

At the organizational level, *guanxi* has a positive effect on business growth in the marketplace (Park & Luo, 2001) via the way it is used to influence business transactions and alter the market positions of firms. It also has very clear benefits for individuals. At the

individual level, *guanxi* can help in the job search (Bian & Ang, 1997; Warren, Dunfee, & Li, 2004), secure employment (Luo, 1997b), obtain promotions (N. Y. Chen & Tjosvold, 2007; Warren et al., 2004; Winn, 1994), avoid debts, reduce business expenses (marketing costs and bad debt decreases), and also help obtain permits from governmental agencies, improve business productivity, win contracts (D. Hwang & Staley, 2005; Warren et al., 2004), serve as a safeguard against a volatile market climate (Lovett et al., 1999), and even help find housing and medical services (Butterfield, 1982; Takada, 2013). A subordinate who makes a mistake has a greater probability of forgiveness if that individual has good *guanxi* with the supervisors (Kiong & Kee, 1998). The *guanxi* ties between a superior and subordinate have a significant effect on the bonuses awarded by the superior and the promotability of the subordinate (Law, Wong, Wang, & Wang, 2000). Cheng (1995) also reported that subordinates were given special treatment by their supervisors if they were related by blood or marriage (*jiaren*), or if they were social acquaintances, which entails a deeper level of *guanxi*.

***Guanxi* as an Influence System**

Guanxi is traditionally regarded as a form of interpersonal relationship (D. Hwang, Staley, Chen, & Lan, 2008; Leung et al., 1996; Xin & Pearce, 1996) that is both instrumental and expressive in nature (K. Hwang, 1987; Jacobs, 1979). It resembles the strong/semi-strong ties described in the Western network literature (Granovetter, 1985), with some suggesting that *guanxi* surpasses those ties completely (C. C. Chen, 1995; Yeung & Tung, 1996). Although *guanxi* has been regarded as a form of interpersonal relationship (D. Hwang et al., 2008), *guanxi* is more than just interpersonal relationships. Interpersonal relationships can be formed with anyone but *guanxi* is tacitly founded on shared interests and benefits (Yang, 1994). Specifically, it is built upon associations with alma maters, birthplaces, kinships, and work units, instead of being founded upon personal or demographic similarities (Tsui & Farh,

1997). Although *guanxi* is similar to interpersonal relationships in that both are connections between people, the strength of *guanxi* ties surpasses interpersonal relationships (Yeung & Tung, 1996) as it is built upon rules of bonding, empathy, and reciprocity (Yau, Lee, Chow, Sin & Tse, 2000) and comprises of features such as trust (Peng, 2001), favour, interdependence (Wong & Chan, 1999), implicit mutual obligation, assurance, and understanding (Luo, 1997a). However, *guanxi* has not been widely considered a form of influence. I propose that *guanxi* should be understood as a form of influence because *guanxi* has an effect on the amount of resources allocated to individuals (K. Hwang, 1987). In other words, the better one's *guanxi* is with the resource allocator, the more influence one has.

Initial consideration of *guanxi* from the perspective of Western influence tactics may seem that there are many differences. Western influence tactics are goal-oriented (Yukl et al., 1995) and based on power (French & Raven, 1959), while *guanxi* has a long-term orientation (Hoivik, 2007) that is based on *guanxi* principles (Luo, 1997a). Western influence tactics are often seen as a skill (Bolino & Turnley, 2003) focused on effecting change (Yukl et al., 1996) and can be categorized as hard, soft, and rational (D. Kipnis & Schmidt, 1985). *Guanxi*, on the other hand, is seen as a resource (Tsang, 1998) that is focused on relationships (Fan, 2002) and can be categorized in many different ways (Bedford, 2011; C. C. Chen & Chen, 2009; Yeung & Tung, 1996).

However, closer examination reveals there are also many points of similarity. *Guanxi* and Western influence tactics are related to power (Q. Huang et al., 2008), and exert an impact on the organization's leadership (Cable & Judge, 2003). They both have the potential to positively impact work efficiency (see Tjosvold et al., 1998), and provide workplace benefits for the individuals (N. Y. Chen & Tjosvold, 2007). They are essential for workplace success (Enns & McFarlin, 2003), as both serve as alternative pathways to achieve the intended goals (C. H. Chen, 2000). In the process, they invoke rules of reciprocity (Peng,

2001) and require the presence of relationships to function (see Leung et al., 1996). In fact, it is not hard to find research focusing on *guanxi* that implicitly supports the operation of particular influence tactics, such as exchange tactics (Yang, 1994; Peng, 2001), personal appeals (K. Hwang, 1987; Jacobs, 1979; Walder, 1986), ingratiation (Falbe & Yukl, 1992; Law et al., 2000), pressure (Farh, Tsui, Xin, & Cheng, 1998), and coalition (Wong & Chan, 1999).

Guanxi is focused on relationships (Fan, 2002). Therefore, *guanxi*-based influence tactics (i.e., coalition, exchange, ingratiation, personal appeal, and pressure) are relational and personal in nature. *Guanxi* implicitly supports the operation of particular influence tactics, such as exchange tactics (Yang, 1994; Peng, 2001), personal appeals (K. Hwang, 1987; Jacobs, 1979; Walder, 1986), ingratiation (Falbe & Yukl, 1992; Law et al., 2000), pressure (Farh, Tsui, Xin, & Cheng, 1998), and coalition (Wong & Chan, 1999). Exchange tactics are related to *guanxi* as the act of gift-giving is recognized by Chinese communities as a constituent of *guanxi* (Yang, 1994). Employees also give gifts to express mutual respect and strengthen *guanxi* ties (Tung, 1998). In other words, gifts are used to ingratiate the recipient. *Guanxi* has a long-term orientation (Hoivik, 2007). In other words, because of the *guanxi* principles of mutual obligation (Luo, 1997a), reciprocity (Yau, Lee, Chow, Sin, & Tse, 2000), and indebtedness between the dyad (Farh et al., 1998), one can request a target to return the favour via pressure, or even request the target to go beyond the call of duty via personal appeals. The ethical obligation to return favours and gifts may also be felt as pressure. *Guanxi* can also serve as a safeguard against a volatile market climate (Lovett et al., 1999), because through coalition with other businesses / individuals, resources are shared and relationships are strengthened. Interdependence can be seen through this example and interdependence is an important aspect of *guanxi* (Wong & Chan, 1999).

I could find no *guanxi*-based research on the use of the other influence tactics. Western influence tactics (i.e., consultation, inspirational appeal, legitimation, and rational persuasion) are generally positional, and are often seen as a skill (Bolino & Turnley, 2003) focused on effecting change (Yukl et al., 1996). Research on influence tactics in Western contexts suggests that consultation (Vroom & Yetton, 1973), inspirational appeal (Yukl & Falbe, 1990), legitimation (Yukl & Tracey, 1992), and rational persuasion (Schriesheim & Hinkin, 1990) are the most effective tactics, unlike the *guanxi*-based influence tactics which are considered inappropriate (such as exchange of gifts; Falbe & Yukl, 1992), has the potential to backfire (ingratiation; Thacker & Wayne, 1995), ineffective (coalition and pressure; Falbe & Yukl, 1992), and decreases commitment from the target (personal appeal; Yukl & Tracey, 1992).

Thus, I expect that the influence tactics supported by the *guanxi* influence system, namely exchange, personal appeals, ingratiation, pressure, and coalition, are the ones seen as most effective and appropriate in Chinese societies. The other influence tactics were not included in the hypotheses, as there is a lack of evidence to support their role in *guanxi* processes. See Appendix B.

Hypotheses

The majority of the literature in the field of influence tactics was conducted in Western countries (Yukl, 2002). Westerners tend to use four influence tactics that they consider to be both most effective and most appropriate in the workplace. These include consultation (Vroom & Yetton, 1973), inspirational appeal (Yukl & Falbe, 1990), legitimation (Yukl & Tracey, 1992), and rational persuasion (Schriesheim & Hinkin, 1990). There has been little research on how the nine influence tactics are used in Chinese societies, and no studies investigating which are the most effective. The general goal of Study 1 is to provide evidence as to whether the subset of four Western influence tactics (i.e., legitimation,

rational persuasion, inspirational appeal, and consultation) that has been found to be most effective and appropriate in the West is also regarded as most effective and appropriate in Singapore, or whether the subset I identified as associated with *guanxi* is seen as more effective and appropriate.

Singapore has a Westernized education system that is English-based and includes Western ideology (i.e., meritocracy). Singaporeans are also influenced by Confucian Chinese values (Hofstede & Bond, 1988; Triandis, 1989; Yan & Sorenson, 2004) through local child-rearing practices which can be observed in social values such as the manner in which they practice reciprocity in their daily lives (Monkhouse, Barnes, & Pham, 2013). Research has shown how Singaporeans display Confucian values such as developing a strong sense of duty and self-restraint, the formation of group consensus and identity, and having the interest of the community at heart (J. Y. C. Han, 2003). These Confucian values are also observed in the Singaporean workplace, with employees displaying an understanding of *guanxi*, highlighting that it is important to develop good relationships with their superiors and colleagues (JobsCentral, 2011). Due to this unique mix of *guanxi* and Western law-abidingness, some research has found that Singapore is a “mix of Eastern and Westernized values” (Foo, Merrick, & Kazantzis, 2006). Thus, the question arises as to whether Singaporeans endorse the influence tactics that have been found to be most effective and appropriate in a Western context, or whether they will endorse as effective and appropriate the tactics that are embedded in the *guanxi* influence system.

As business practices in Singapore are highly influenced by the government’s application of a business style with high transparency (“Singapore Least Corrupt,” 2012), I predict that Singaporean participants will endorse as most socially appropriate in the workplace the four influence tactics that are most commonly used in the West (i.e., consultation, inspirational appeals, legitimation, and rational persuasion).

H1: Consultation, inspirational appeal, legitimation, and rational persuasion will be ranked higher than all the other influence tactics for social appropriateness.

However, I predict that Singaporean participants will have a higher personal preference for influence tactics that they know implicitly to be associated to *guanxi* principles. In other words, I predict that participants will have a different subset of influence tactics (i.e., coalition, exchange, ingratiation, personal appeal, and pressure tactics) that they would be personally inclined to use in the workplace. This is because they have a deep understanding of how this subset of influence tactics function in the Singaporean workplace and know that these tactics are more effective in the workplace regardless of the target.

H2: Participants will rate a higher personal preference for coalition, exchange, ingratiation, personal appeal, and pressure.

H3: Coalition, exchange, ingratiation, personal appeal, and pressure will be ranked higher than the other influence tactics in the level of perceived effectiveness.

Method

Participants

A total of 213 participants (44 males and 169 females) signed up for this study as part of their psychology course requirement at a large Singapore university. The response rate was relatively high at 93.4% ($N = 199$). The age range of the sample was between 18 and 25 years of age ($M = 20.51$, $SD = 1.45$). Participants were first asked to participate in a simple non-remunerated online questionnaire in exchange for one research credit (30 minutes). The sample had a racial distribution of 89.4% Chinese ($n = 178$), 4.5% Malay ($n = 9$), 3.5% Indian ($n = 7$), and 2.5% Others ($n = 5$). The sample consisted of predominantly Singaporeans (83.4%), along with 13 permanent residents (6.5%), and 20 individuals of various nationalities (10.1%). For the purpose of this study, only the Chinese participants who were either Singaporean or Singaporean permanent residents for at least 10 years were

included in the analyses ($N = 163$). A majority of the participants (96.3%) reported having done some paid work prior to the survey, and these work involvements lasted an average of 11.06 months ($SD = 9.95$). This was relevant and important because the scenarios presented in the online questionnaire involved scenarios set in the workplace.

Online Questionnaire

Socially Appropriate Influence Tactics.

Participants were asked to rate the social appropriateness of the nine Western influence tactics. Descriptions of each tactic were adapted to fit the workplace. Each of the influence tactics was rated on a scale of 0 (*very inappropriate*) to 100 (*very appropriate*). For example, legitimization was represented by the following description: Seeking to establish the legitimacy of a request by claiming the authority or right to make it or by verifying that it is consistent with organizational policies, rules, practices, or traditions.

Personally Preferred Influence Tactics.

To measure the participants' general preference for each of the nine influence tactics, the second section of the survey entailed nine items that required participants to rate the degree to which the following sentences described them on a scale of 0 (*Not at all like me*) to 100 (*Just like me*). For example, rational persuasion was represented by the following: I use logical arguments and factual evidence to persuade the target individual that a proposal of request is viable and likely to result in the attainment of task objectives.

Effectiveness of Influence Tactics.

Participants next were asked to rank the effectiveness of the nine influence tactics in order from 1 (*Most Effective*) to 9 (*Least Effective*) in each of six different scenarios based in a company in Singapore. Because the effectiveness of influence tactics has been shown to vary depending on the target and the context, the scenarios entailed a three (target: superior,

peer, or subordinate) by two (company: interfirm or intrafirm) design. This ranking exercise is based on those used in previous related studies (e.g., Fu & Yukl, 2000; see Table 1).

Table 1: Examples of Influence Tactics presented in each of the Scenarios to Rank the Effectiveness of the Influence Tactics

	Target		
	Superior	Peer	Subordinate
Same Company	“Making a request or proposal that arouses your superior's enthusiasm by appealing to his/her values, ideals, and aspirations, or by increasing the self-confidence of your superior.”	“Using praise, flattery, friendly behaviour, or helpful behaviour to get your peer in a good mood or to think favourably of you before asking for something or asking your peer to do something.”	“Using demands, threats, frequent checking, or persistent reminders to influence your subordinate to comply with a request or to support a proposal.”
Different Company	“Using logical arguments and factual evidence to persuade that superior that a proposal of request is viable and likely to result in the attainment of task objectives.”	“Seeking that individual's participation in planning a strategy, activity, or change for which that individual's support and assistance are desired, or being willing to modify a proposal to deal with that individual's concerns and suggestions.”	“Offering an exchange of favours, indicating willingness to reciprocate at a later time, or promising that individual a share of the benefits if he/she helps accomplish a task.”

Results

Summary of results

The results of the analysis showed that Hypothesis 1 (that Singaporeans would generally endorse the set of four Western influence tactics as most appropriate) was supported, with rational persuasion, legitimization, consultation, and inspirational appeal ranking higher than the others for social appropriateness. Hypothesis 2 was not supported. Participants did not express a personal preference for the five *guanxi*-related influence tactics of coalition, exchange, ingratiation, personal appeal, and pressure. In fact, all of these were ranked lower than the four influence tactics endorsed as appropriate. In other words, the participants personally preferred the Western influence tactics of rational persuasion, legitimization, consultation, and inspirational appeals. Hypothesis 3 was strongly supported. The five *guanxi*-related influence tactics of coalition, exchange, ingratiation, personal appeal, and pressure were found to have a higher level of perceived effectiveness across all scenarios.

The results revealed that the nine influence tactics were consistently grouped into two subsets: participants consistently grouped consultation, inspirational appeal, legitimation, and rational persuasion (the Western effective and appropriate tactics) as one set, and they grouped coalition, exchange, ingratiation, personal appeal, and pressure (the *guanxi*-related tactics) as a separate cluster. The analysis also revealed that when one tactic within the *guanxi* influence system is selected, the other tactics within the *guanxi* influence system are also automatically activated.

Hypothesis 1: Appropriateness

To assess Hypothesis 1, the means of the participants' ratings were arranged from most socially appropriate to least socially appropriate (see Table 2). The means were obtained by averaging the ratings of each tactic across participants. A factor analysis was done with a Promax rotation of the data collected from 199 participants. The Kaiser-Meyer Olkin measure of sampling adequacy showed that the sample was factorable ($KMO = .725$) and the Bartlett's test of sphericity was significant ($\chi^2(35) = 546.26, p = .000$). All the items shared some common variance as the communalities of the items were above .3. Therefore, factor analysis was an appropriate test for the nine items.

A factor analysis was done with a Promax rotation of the data to find out if the 9 items can be computed into 2 groups. Initial eigen values showed that the first two factors explained 35.3% and 24.9% of the variance and the remaining factors explained for less than 10% of the variance each. The two factor solution that explained 60.2% of the variance was preferred because of the theoretical basis for two subsets of influence tactics (i.e., *guanxi* based influence tactics and western influence tactics). Overall the results showed that the nine influence tactics could be distinctly grouped into two categories: *guanxi*-related influence tactics and Western appropriate tactics.

Table 2. Factor loadings and communalities for Appropriateness from Factor Analysis with Promax rotation for 9 items from questionnaire (N = 199).

	<i>M</i>	<i>SD</i>	N	Factor		Communalities
				<i>Guanxi</i> -Related	Western Appropriate	
Legitimizing	80.18	16.05	163		0.75	0.54
Rational Persuasion	80.67	15.15	163		0.86	0.72
Inspirational Appeals	72.78	17.05	163		0.73	0.63
Consultation Tactics	73.07	16.44	163		0.76	0.69
Exchange Tactics	50.77	24.06	163	0.73		0.55
Personal Appeal	55.21	21.45	163	0.77		0.62
Ingratiating Tactics	51.69	22.53	163	0.83		0.69
Pressure Tactics	29.88	23.10	163	0.71		0.55
Coalition Tactics	56.09	20.25	163	0.62		0.42

Extraction Method: Principal Component Analysis. Rotation Method: Promax with Kaiser

Normalization. Rotation converged in 3 iterations. *Note.* Factor loadings < .3 are suppressed.

To further test Hypothesis 1, the scores for consultation, inspirational appeal, legitimization, and rational persuasion (the Western appropriate tactics) were averaged as one set ($M_D = 76.68$, $SD = 12.69$), and the scores for coalition, exchange, ingratiation, personal appeal, and pressure (the *guanxi*-related tactics) were averaged as one set ($M_D = 48.73$, $SD = 16.41$), and a paired *t*-test was done on these 2 variables. Paired *t*-tests results showed that the Western appropriate tactics were significantly different from *guanxi*-related tactics, $M_D = -27.95$, $SD = 18.89$, $t(162) = -18.89$, $p = .000$, $r = .177$. Hypothesis 1 was supported as rational persuasion, legitimization, consultation, and inspirational appeal were ranked higher than all others for social appropriateness.

Hypothesis 2: Personal Preference

A factor analysis was also done with a Promax rotation of the data collected from 199 participants to test for Hypothesis 2. The Kaiser-Meyer Olkin measure of sampling adequacy showed that the sample was factorable ($KMO = .734$) and the Bartlett's test of sphericity was significant ($\chi^2(36) = 369.82, p = .000$). All the items shared some common variance as the communalities of the items were above .3. Therefore, factor analysis was an appropriate test for the nine items.

A factor analysis was done with a Promax rotation of the data to find out if the 9 items can be computed into 2 groups. Initial eigen values showed that the first two factors explained 31.7% and 22.9% of the variance and the remaining factors explained for less than 10% of the variance each. The two factor solution that explained 54.6% of the variance was preferred because of the theoretical basis for two subsets of influence tactics (i.e., *guanxi* based influence tactics and western influence tactics). Overall the results showed that the nine influence tactics could be distinctly grouped into two categories: *guanxi*-related influence tactics and Western appropriate tactics (see Table 3).

Table 3. Factor loadings and communalities for Personal Preference from Factor Analysis with Promax rotation for 9 items from questionnaire (N = 199).

	<i>M</i>	<i>SD</i>	N	Factor		Communalities
				<i>Guanxi</i> -Related	Western Appropriate	
Legitimizing	67.06	15.54	162		0.71	0.49
Rational Persuasion	70.32	15.46	162		0.80	0.62
Inspirational Appeals	68.99	14.16	162		0.66	0.52
Consultation Tactics	70.94	14.67	162		0.75	0.58
Exchange Tactics	50.41	21.94	162	0.80		0.66
Personal Appeal	57.20	20.13	162	0.73		0.59
Ingratiating Tactics	49.54	21.74	162	0.79		0.62
Pressure Tactics	24.87	18.51	162	0.64		0.43
Coalition Tactics	52.27	20.61	162	0.64		0.41

Extraction Method: Principal Component Analysis. Rotation Method: Promax with Kaiser

Normalization. Rotation converged in 3 iterations. *Note.* Factor loadings < .3 are suppressed.

To further test Hypothesis 2, the scores for consultation, inspirational appeal, legitimization, and rational persuasion (the Western appropriate tactics) were averaged as one set ($M_D = 69.28$, $SD = 10.95$), and the scores for coalition, exchange, ingratiation, personal appeal, and pressure (the *guanxi*-related tactics) were averaged as one set ($M_D = 46.87$, $SD = 14.89$), and a paired *t*-test was done on these 2 variables. Paired *t*-tests results showed that the Western appropriate tactics were significantly different from *guanxi*-related tactics, $M_D = -22.41$, $SD = 17.32$, $t(162) = -16.52$, $p = .000$, $r = .128$. Hypothesis 2 was not supported as coalition, exchange, ingratiation, personal appeal, and pressure were ranked at the bottom of the list. However, it is interesting to note that the *guanxi*-related tactics remained grouped together and the Western tactics rose to the top of the ranking, just as with social appropriateness.

Hypothesis 3: Effectiveness

The rankings of each influence tactic's effectiveness were averaged across participants within each scenario and the results were sorted from most effective to least effective for each scenario (see Table 4). For all scenarios except with a peer in the same company, the *guanxi*-related influence factors were ranked higher than the four Western factors. Details for each scenario are as follows.

In the scenario in which the target was a superior in the same company, the paired sample *t*-test showed that pressure (ranked 1st) was significantly different from coalition (ranked 2nd), $M_D = 2.12$, $SD = 2.02$, $t(159) = 13.27$, $p = .000$, $r = .725$, personal appeals (ranked 2nd) was significantly different from consultation (ranked 3rd), $M_D = -2.53$, $SD = 2.49$, $t(159) = -12.87$, $p = .000$, $r = .714$, and legitimation (ranked 3rd) was significantly different from rational persuasion (ranked least effective), $M_D = .781$, $SD = 2.29$, $t(159) = 4.31$, $p = .000$, $r = .324$.

In the scenario in which the target was a peer in the same company, pressure (ranked 1st) was significantly different from coalition (2nd), $M_D = 2.30$, $SD = 2.34$, $t(156) = 12.32$, $p = .000$, $r = .702$, just as ingratiation (2nd) is significantly different from exchange (3rd), $M_D = -0.898$, $SD = 2.75$, $t(156) = -4.09$, $p = .000$, $r = .312$. In the scenario in which the target was a subordinate in the same company, only personal appeals (1st) were significantly different from consultation (2nd) in the subordinate from the same company scenario, $M_D = -2.29$, $SD = 2.39$, $t(159) = -12.12$, $p = .000$, $r = .693$.

In the scenario in which the target was a superior in a different company, participants ranked pressure (1st) significantly different from coalition (2nd), $M_D = 2.01$, $SD = 2.11$, $t(158) = 12.04$, $p = .000$, $r = .692$, exchange (2nd) was significantly different from consultation (3rd), $M_D = -1.81$, $SD = 2.68$, $t(158) = -8.50$, $p = .000$, $r = .560$, and consultation was significantly

different from inspirational appeals (4th), $M_D = -0.623$, $SD = 2.09$, $t(158) = -3.75$, $p = .000$, $r = .286$.

In the scenario in which the target was a peer in a different company, pressure (1st) was once again found to be significantly different from coalition (2nd), $M_D = 2.17$, $SD = 2.07$, $t(157) = 13.13$, $p = .000$, $r = .724$, ingratiation (2nd) was significantly different from personal appeals (3rd), $M_D = -0.911$, $SD = 2.53$, $t(157) = -4.54$, $p = .000$, $r = .340$, and exchange (3rd) was significantly different from consultation tactics (4th), $M_D = -1.34$, $SD = 2.85$, $t(157) = -5.91$, $p = .000$, $r = .427$. In the scenario in which the target was a subordinate in a different company, pressure (1st) was significantly different from ingratiation (2nd), $M_D = -1.30$, $SD = 2.52$, $t(154) = -6.41$, $p = .000$, $r = .459$, exchange (2nd) was significantly different from consultation (3rd), $M_D = -1.96$, $SD = 2.71$, $t(154) = -8.99$, $p = .000$, $r = .587$, and consultation was significantly different from inspirational appeals (4th), $M_D = -0.639$, $SD = 2.14$, $t(154) = -3.71$, $p = .000$, $r = .286$.

On the whole, Hypothesis 3 was strongly supported, with coalition, exchange, ingratiation, personal appeal, and pressure having a higher level of perceived effectiveness across all scenarios, with the exception of personal appeal ranking behind legitimating tactics in the same company peer scenario.

Table 4: Effectiveness Rankings of Influence Tactics in Each Scenario

Same Company												Different Company											
Superior				Peer				Subordinate				Superior				Peer				Subordinate			
IT	<i>M</i>	<i>SD</i>	Rk	IT	<i>M</i>	<i>SD</i>	Rk	IT	<i>M</i>	<i>SD</i>	Rk	IT	<i>M</i>	<i>SD</i>	Rk	IT	<i>M</i>	<i>SD</i>	Rk	IT	<i>M</i>	<i>SD</i>	k
Pressure	8.65	0.95	1	Pressure	8.61	1.04	1	Pressure	7.59	1.96	1	Pressure	8.67	0.73	1	Pressure	8.72	0.77	1	Pressure	7.89	1.94	1
Coalition	6.53	1.72	2	Coalition	6.31	1.96	2	Coalition	6.96	1.77	1	Coalition	6.65	1.86	2	Coalition	6.55	1.72	2	IN	6.59	1.82	2
IN	6.23	1.72	2	IN	5.93	2.20	2	IN	6.67	1.87	1	PA	6.04	1.69	2	IN	6.22	2.07	2	Coalition	6.55	1.92	2
EX	6.05	1.71	2	EX	5.03	2.00	3	EX	6.09	1.75	1	IN	5.97	1.99	2	PA	5.30	1.95	3	PA	5.89	1.72	2
PA	5.82	1.57	2	Leg	4.38	2.61	3	PA	5.71	1.73	1	EX	5.50	1.74	2	EX	5.19	1.96	3	EX	5.81	1.91	2
Consult.	3.29	1.64	3	PA	4.11	2.15	3	Consult.	3.42	1.49	2	Consult.	3.70	1.66	3	Consult.	3.85	1.85	4	Consult.	3.85	1.51	3
IA	3.13	1.45	3	Cons.	4.02	2.03	3	IA	3.32	1.34	2	IA	3.08	1.35	4	IA	3.31	1.54	4	IA	3.21	1.48	4
Leg	3.04	2.05	3	Rat. Per.	3.40	2.21	3	Leg	2.72	2.23	2	Leg	2.81	2.22	4	Leg	3.22	2.28	4	Leg	2.68	2.17	4
RP	2.26	1.51	4	IA	3.22	1.62	3	RP	2.53	1.73	2	RP	2.58	1.52	4	RP	2.65	1.72	4	RP	2.53	1.69	4

Note. IT = Influence Tactics; IN = Ingratiation; PA = Personal Appeal; IA = Inspirational Appeal; RP = Rational Persuasion; EX = Exchange; Influence tactics that share the same rank number were not significantly different from each other, but each rank is significantly different from the adjoining rank.

Discussion

Hypothesis 1

The results from the social appropriateness of the influence tactics showed support for Hypothesis 1, that Singaporeans endorse the same set of influence tactics as socially appropriate in the workplace as Westerners do. Consultation, inspirational appeal, legitimization, and rational persuasion were ranked higher than the *guanxi*-related influence tactics. This result was expected because Singapore invests greatly in the education system that is largely based on the Western education system, thereby incorporating various Western ideologies and perspectives into the teaching process. As the students enter the workforce, they find that most of the companies operate with a Western mind-set (e.g., knowing that rational persuasion is desirable in the workplace; Fu & Yukl, 2000). As such, Singaporeans may understand that Western influence tactics are seen as more socially appropriate.

Hypothesis 2

Results of Hypothesis 2 were intriguing. Hypothesis 2 was not supported as the participants had a personal preference for the Western subset of influence tactics instead of the predicted subset (the *guanxi*-related tactics). There are two possible interpretations of this result. First, I had expected that while the participants knew what was socially appropriate in the workplace, they would understand that the Western influence tactics are not aligned with the Chinese values that they were brought up with, and thus would prefer the *guanxi*-related tactics. However, instead it may simply be that Singaporeans have embraced the Western interpretation of what influence tactics are deemed socially appropriate in the workplace. Another interpretation would be that whereas Westerners can separate personal preference from what is considered socially appropriate, Singaporeans are more inclined to shape themselves to social expectations (see J. Y. C. Han, 2003; E. Tan, 2001). Evidence to support this interpretation is found in the fact that Hypothesis 3 was supported, which establishes that

Singaporeans do recognize the effectiveness of *guanxi*-related tactics, despite what they say about their personal preferences.

Hypothesis 3

The results from the effectiveness rankings of the influence tactics supported Hypothesis 3, that Singaporeans endorse *guanxi*-related influence tactics as effective; coalition, exchange, ingratiation, personal appeal, and pressure showed a higher level of perceived effectiveness as compared to the other influence tactics across all six scenarios. This result establishes that, despite endorsing the Western set as appropriate and as personally preferred, Singaporeans have a deep understanding of how the subset of influence tactics that are embedded within the *guanxi* influence system operate in a workplace context. Although past research in the West indicated that rational persuasion, legitimation, inspirational appeals, and consultation tactics were effective in the workplace, the same is not true in the Singaporean workplace because of the cultural differences that allow for a different set of influence tactics to be more effective. Specifically, due to the *guanxi* principles that are present in the Singaporean workplace, influence tactics that adhere to *guanxi* principles are considered more effective.

For example, in the literature, pressure is often considered the least effective influence tactic (Falbe & Yukl, 1992), with research showing that it is most often directed towards subordinates (Yukl & Falbe, 1990) and least often directed at superiors (Yukl & Seifert, 2002) and peers (Yukl & Falbe, 1990). The results of the current study showed that participants perceive pressure as one of the most effective influence tactics when dealing with superiors, peers, and subordinates in the workplace. Likewise, past research has found inconclusive results as to the effectiveness of ingratiation and coalition in the Western workplace (Erez et al., 1986). Past research found that ingratiation was most often directed downwards (Yukl & Tracey, 1992). However, the results of the current study showed that

ingratiation and coalition are perceived to be amongst the most effective influence tactics in the Singaporean workplace, regardless of the target.

The pattern of five *guanxi*-related influence tactics consistently clustered as a group when ranked for social appropriateness (see Table 2), personal preference (see Table 3), and effectiveness (see Table 4). The argument can be made that these tactics (pressure, coalition, ingratiation, exchange, and personal appeals) are all invoked when one is invoked. An example of one action invoking all of them would be a common manifestation of *guanxi*, gift-giving. When an individual accepts a gift, the recipient of the gift will most likely be ingratiated. Through the act of receiving the gift, the process of exchange is initiated. However, the act of receiving the gift makes the recipient of the gift indebted to the gift giver and thus the recipient is pressured to reciprocate the gesture. Over time, a coalition may develop between the dyads as the gift giver employs personal appeals to ask the target for favours/gifts.

Western influence tactics are commonly utilized independently or in a mix-and-match manner (Falbe & Yukl, 1992). For example, influence is more effective when a hard tactic is strategically utilized alongside a rational tactic (Falbe & Yukl, 1992). This result supports past research as the identity of an inspirational leader may not necessarily be in harmony with a leader who leads by rank (legitimation). In contrast, the results of the current study revealed that tactics that are embedded in the *guanxi* influence system work in conjunction with one another. The activation of the whole set of tactics is different from the way in which Western tactics are amalgamated (Schmidt & Kipnis, 1984). Unlike the mix-and-match style of the West (Falbe & Yukl, 1992), I propose that the behaviours that are embedded within the *guanxi* influence system naturally activate all of the *guanxi* influence tactics together. These influence tactics are grounded in the *guanxi* principles of mutual obligation (Luo, 1997a), reciprocity (Yau, Lee, Chow, Sin, & Tse, 2000), and indebtedness between the dyad

members (Farh et al., 1998). Therefore, like spokes on a bicycle wheel that turn together, the activation of one tactic within the *guanxi* influence system naturally engages the other tactics in the system. The findings of the social appropriateness, personal preference, and effectiveness of the influence tactics suggested that exchange, personal appeals, ingratiation, pressure, and coalition coexist in a group because they were found together as a subset in the ranking tables (see Tables 2, 3, and 4). In other words, when one tactic is selected, the other tactics within the *guanxi* influence system are also automatically activated. These influence tactics that are embedded in the *guanxi* influence system are exchange, personal appeals, ingratiation, pressure, and coalition.

This result would make sense when seen from the identity of a business leader in the Eastern context. Research that found that employees are expected to regard fellow workers at their workplace as part of one's work family (Liu, 2003). The leader is respected as a fatherly figure (Hong & Engstrom, 2004) who exerts pressure on the employees but at the same time consider everyone part of a team (coalition). In other words, these tactics are tied into the identity of the leader which is embedded in the Eastern context.

Implications

This study has some implications for businesses in Singapore. Companies should take note of the influence tactics that are both socially appropriate and effective to maximise efforts to build *guanxi* in the Singaporean workplace. Analysis of the results showed that Singaporeans perceive the same set of influence tactics as Westerners (i.e., rational persuasion, legitimation, inspirational appeals, and consultation tactics) to be appropriate for the workplace but do not see this same set as most effective in the workplace. The influence tactics they see as most effective are the ones that are most closely aligned with the operational principles of *guanxi*. Therefore, employees can enhance their influence in the workplace by utilizing influence tactics that adhere to the principles of *guanxi* (i.e., pressure,

coalition, ingratiation, exchange, and personal appeals). Analysis also found that unlike Western influence tactics, which are typically used independently or in a mix and match manner, the influence tactics identified as effective in Singapore tend to be used as a set, as might be expected for behaviors operating under *guanxi* principles.

Limitations

This research had several limitations. While the sample size was reasonable ($N = 199$), this study was conducted online and the lack of face-to-face interaction between the participants and the researchers may have decreased the quality of answers from the participants (X. P. Chen, Hui, & Sego, 1998). In addition, only the perceptions of the sample are reported. While almost all of the participants had work experience, the use of students to understand workplace perceptions may limit the generalizability of the findings.

Study 1 Conclusion

The results from the social appropriateness of the influence tactics showed that the subset of influence tactics endorsed by Westerners as most appropriate for the workplace (consultation, inspirational appeal, legitimation, and rational persuasion) was also considered most socially appropriate in the Singaporean workplace. In contrast, the results from the rankings of the effectiveness of the influence tactics showed that the *guanxi* influence system (coalition, exchange, ingratiation, personal appeal, and pressure) had a higher level of perceived effectiveness as compared to the other influence tactics. Despite endorsing the *guanxi*-related tactics as effective, participants had a personal preference for the Western subset of influence tactics. These results showed that while Singaporeans displayed a clear understanding of the effectiveness of the *guanxi* influence system in the Singaporean workplace, they were also imbued with Western interpretations of what should be socially appropriate in the workplace and took on this perspective as their personal preference. I think that this is unique to Singapore because of the exposure to both Western and Eastern

influences. This result would not be expected in China, because it is the heart of the Eastern influences. I would expect Chinese in China to prefer *guanxi*-based influence tactics as well as consider them socially appropriate and effective. The results also found the influence tactics within the *guanxi* influence system to cluster consistently, suggesting that the influence tactics within the *guanxi* influence system function in tandem with each other, which suggests that when one tactic of this subset is used, the other tactics within the *guanxi* influence system are automatically activated. My hope is that future research can examine how gift giving evolves in China as the Chinese market continues to open up to foreign business and investments.

Study 2: Perceptions of Gift-giving in Singapore and the U.S.

In the previous study, I found that five *guanxi*-related influence tactics (coalition, exchange, ingratiation, personal appeal, and pressure) were perceived as highly effective in the Singaporean workplace. The purpose of Study 2 is to examine the application of these influence tactics from a different perspective. To accomplish this goal, I focused on gift-giving, which one can argue employs all five influence tactics identified as effective in Study 1. It also represents an important tool for building *guanxi*. When an agent presents a gift/favour to a target (ingratiation), the target can either accept or decline the gift. Should the target accept the gift/favour, the recipient is now indebted to the agent and is obligated to return the gift/favour (pressure). The process of giving and receiving gifts/favours (exchange) establishes and builds the relationship between the dyad (coalition). In time, one node of the relationship may request help from the other party (personal appeal). Use of one influence tactic through gift-giving within the *guanxi* influence system necessarily activates the other four influence tactics, thereby increasing the effectiveness of the influence tactics across all workplace situations. Thus, *guanxi* can be seen as a dynamic system of influence tactics.

Therefore, to gain a greater understanding of the cultural differences in the perception of workplace influence tactics, in this study I specifically selected gift-giving as a concrete behavioral example of the operation of a set of influence tactics related to *guanxi* as the focus of Study 2. In Study 2a, I explore how Singaporeans perceive workplace gift-giving in effort to tease out whether Singaporeans respond more with traditional Chinese values (Hofstede & Bond, 1988; Monkhouse et al., 2013; Triandis, 1989; Yan & Sorenson, 2004) or whether they follow the Western standard of workplace interaction in relation to gift-giving. In Study 2b, I supplement the findings of Study 2a by collecting and analysing a qualitative U.S. data set similar to data set 2 in Study 2a to compare how gift-giving is perceived in the U.S. workplace and how trust is associated with gift-giving in the U.S. workplace.

The power that gifts have to influence relationships is unquestionable. Levi-Strauss, the father of modern anthropology, wrote that gifts are more than mere merchandise, they are influence, power, sympathy, status, and emotion (Levi-Strauss, 1965). Gifts have the ability to influence the recipient of the gift, and through that process secure one's position in the relationship. By giving others a gift (i.e., giving an item, a form of service, or a benefit), the target also becomes indebted to reciprocate by returning the favour/gift/help in the future. Appropriate gifts have the ability to establish the giver in the recipient's good books, and potentially allow the gift giver to attain accelerated upward social mobility (Schwartz, 1967). Recipients of gifts often feel good and this positive mood has a profound effect on behaviour (Isen & Levin, 1972). Specifically, individuals are more likely to extend help to others while in a positive mood. A gift can also have an effect because individuals have an increased liking of one another after the induced positive state of giving/receiving a gift is activated (Berry & Hansen, 1996). Petty and Cacioppo (1986) found that individuals were more likely to be influenced by weak arguments when they were in a positive state. However, due to differences in social norms and institutions, particularly with respect to the workplace, the meaning of gifts may differ according to culture.

In the West, the act of gift-giving is welcomed during appropriate festivities (e.g., Christmas) but generally frowned upon in the workplace. However, there is no dichotomy of appropriateness for gift-giving in Chinese societies. Western business deals begin with transactions that might or might not develop into personal relationships (Luo, 1997b), while the Chinese frequently conduct business with their *guanxi* ties, which are personal relationships (D. Hwang & Staley, 2005; Warren et al., 2004). Chinese people are comfortable with gift-giving in the workplace because gift-giving is integral to *guanxi* (Yang, 1994). They see gift-giving as having the potential to enhance relationships (Yau et al., 2000)

and promote trust. In contrast, Westerners tend to focus on the possibility of corruption, unfair influence, and conflict of interest (Caldwell & Clapham, 2003).

The goal of Study 2 is to examine influence tactics from an applied perspective and to explore cultural aspects of my findings by comparing participants in Singapore and the U.S. I expected to identify cultural differences in the meaning and implications of influence through gift-giving related to the practice of *guanxi*. I conducted Study 2 in two phases. In Study 2a I focused on Singaporeans. In Study 2b I sampled both Singaporeans and Americans.

Chinese culture and workplace gifts

Chinese communities recognize the act of gift-giving as a constituent of *guanxi* (Yang, 1994); the process of reciprocal giving and receiving gifts and favours fortifies the relationship of those involved (Yau et al., 2000). In fact, drawing from fundamentals of Confucianism, the attainment of good standing (a righteous person, *yi-ren*) requires repaying favours (with the repayment being equal to or more than the value of the received favour; D. Hwang & Staley, 2005). From a traditional perspective, gift-giving in Chinese societies is important and rational because it manifests itself as overt behavioural patterns (organizational artefacts) that are bulwarked in *li* (moral righteousness) and embedded in normative and prescriptive tenets of righteousness (*yi*) and *ren* (humanity; Steidlmeier, 1999). Such behaviours are not only expected, they express mutual respect and strengthen *guanxi* ties (Tung, 1998).

Although presenting and reciprocating favours is customary in the process of establishing personal ties in Chinese societies (Blau, 1964; X. P. Chen & Chen, 2004; Foa & Foa, 1980), there can be ethical ambiguities regarding the influence of *guanxi* in executive decisions because the beneficiaries (themselves or those with whom they have *guanxi* connections/*guanxi* exchange parties) stand to profit, disadvantaging third parties, or the

organization they serve (Dunfee & Warren, 2001; Van Buren & Leana, 2000). *Guanxi* exchanges can go too far. For example, Chinese companies are known to splurge billions in order to establish *guanxi* through giving gifts to various individuals and organizations (Cateora & Graham, 1999; Cui, 2012; L. H. Li, 1999; Seager, 2010), with Chinese employees going beyond their means to offer multiple kickbacks that are worth their monthly wages (Millington, Eberhardt, & Wilkinson, 2005). *Guanxi*-related behaviours can lead to unfair competition and lower effectiveness and efficiency in the market (Hoivik, 2007). This lower efficiency is because the “obligations of *guanxi* are very real: In the wrong place, at an inappropriate time, with unsuitable people, the obligations can become a trap which is hard to escape” (Ambler, 1994, p. 75). Chinese officials have recently recognized this as a problem and implemented guidelines for *guanxi* exchanges (Wang, 2014).

The Western perspective

The Western perspective on workplace gift-giving tends to focus on these negative aspects instead of relational ones. In a business context, although there is consensus on the effectiveness of gift-giving in gaining influence, there is also a clear difference in interpretation of the appropriateness of gift-giving between the U.S. and Chinese societies. Americans tend to view gift-giving in a business context as corruption that can impact the overall performance of the company and lead to a rise in undesirable conduct amongst the employees such as substandard judgments, hiding of trouble and difficulties pertaining to the company, covering up errors, and creating a false impression to the management (Tepper, Carr, Breaux, Geider, Hu, & Hua, 2009; Tepper, Henle, Lambert, Giacalone, & Duffy, 2008).

The U.S. government labels most gift-giving as an inappropriate act of bribery in most work contexts (Sanyal & Guvenli, 2009). They developed a tough stance because gift-giving behaviours went overboard in some industries. For example, pharmaceutical companies gave gifts and cash pay-outs of US\$12 billion (Katz, Caplan, & Merz, 2010) to

ensure that their products were selected over the competitor's products (Clark, 1989; Shaughnessy, Slawson, & Bennet, 1994). Laws had to be instituted to regulate gift-giving behaviours and prevent future occurrences from happening (Department of Health and Human Services [DHHS], 1991).

Cross-cultural research has also shown how businesses in the West differ from those in Chinese societies in the way decisions are made and how the concept of reciprocity is involved (Warren et al., 2004). Chinese companies display high levels of transferable relationship effectiveness (i.e., reciprocity) that is embedded in duty and obligations. On the other hand, business in America is expected to be conducted by the book (Kilachand, 2012), adhering strictly to the rules. It emphasizes the behaviour of business people (in contrast to a focus on the relationship between the people involved). This difference may lead to business people perceiving that relational business conduct is unethical (Trompenaars & Hampden-Turner, 1998). This difference in perception can be attributed to how “in the west, relationships grow out of deals; in China, deals grow out of relationships” (Hoivik, 2007, p. 460).

Singapore

Singapore makes an interesting case study because, similar to the U.S., it has strict state laws that clearly outline acceptable behaviours pertaining to gift-giving activities. For example, the Gift Association (Singapore) was established in 1997 to smoothen the process for companies to purchase and exchange gifts by consolidating the gifts that are appropriate for the Singaporean workplace (“Gifts Association Singapore,” 2011). However, gift-giving practices are not acceptable at all in certain industries. For example, the Singapore Association of Pharmaceutical Industries (SAPI) clearly bans all forms of kickbacks (cash pay-outs and congratulatory messages via media outlets) to healthcare workers (“SAPI Code,” 2012). The SAPI Code of Marketing Practices further caps all gifts at SGD\$20

(US\$15) provided that these gifts pertain directly to the job of the healthcare worker and/or gives rise to an improvement in patient care. It goes to the extent of limiting consumables to SGD\$20 per person, flower arrangements be less than SGD\$150 (US\$111), festive gifts be capped at SGD\$50 (US\$37) for twice a year per employee. These efforts to keep Singapore corruption free have not gone unnoticed, as Singapore was recently ranked the least corrupt country in Asia (“Singapore Least Corrupt,” 2012) and the 5th least corrupt country in the world (tied with Norway at 86 out of 100 points; Corruption Perceptions Index, 2013), with some calling it “a good place to do business” (Radcliff, 2011). There are stringent state laws and company policies that deter activities that are associated with or resemble gift exchanges, particularly if they involve money. In this respect, it is like the U.S., with clear guidelines that govern gift exchange behaviours.

Despite the stringent guidelines that govern work-related gift-giving, the influence of *guanxi* is still evident in the Singaporean workplace. According to recent surveys by JobsCentral of more than 2000 employees in Singapore, “Good relations with management” was ranked as the 4th most important work attribute out of a list of 12, while “Good relations with colleagues” came in 6th (JobsCentral, 2012, 2013). The participants also rated their satisfaction levels for each of the 12 work attributes. The results revealed that “Good relations with colleagues” came out on top while “Good relations with management” was ranked 4th in 2013. This survey hints of the importance of *guanxi* in the Singaporean workplace and highlights the importance of having good, satisfying relationships with one’s bosses and colleagues.

Study 2a

In Study 2a, I explore specific aspects of how Singaporeans perceive workplace gift-giving (with respect to gift content and timing) in effort to tease out whether Singaporeans respond more with traditional Chinese values (Hofstede & Bond, 1988; Monkhouse et al.,

2013; Triandis, 1989; Yan & Sorenson, 2004) or whether they follow the Western standard of workplace interaction in relation to gift-giving. In the following I discuss the importance of gift content and timing, and the influence outcomes of power and trust.

Gift Content and Timing

It is important to get the timing and the context right because a gift can expedite or hamper the development of the relationship between the gift giver and recipient. Gifts have the ability to build an emotional bridge between two individuals and this bond can be established quickly and strongly if the appropriate gifts are presented. The timing of a gift can have differing effects on a business relationship. For example, gifts presented during the process of the business deal may be perceived as an attempt at bribery (“SAPI Code,” 2012), while gifts given after a deal may be interpreted differently (Chung, 2012).

Another variable to consider is whether the work-related gift is intended for an individual (such as a watch), or whether it is something that can be shared in the office (such as a fruit basket). Common gifts exchanged in the pharmaceutical industry include meals, mugs, sponsored trips, and pens (Gibbons et al., 2001).

Due to the inculcation of Western beliefs and values in the school and workplace systems, I expect that Singaporeans understand that it is inappropriate to receive gifts in the workplace. Specifically, I expect that individual gifts have a negative connotation (i.e., bribery) and the act of accepting individual gifts would be seen in a negative light regardless of when the gift was presented. On the other hand, gifts that can be shared with the other employees have celebratory tones and thus may be deemed more appropriate when accepted after the completion of a deal. Due to the strict laws in Singaporean, shared gifts may still be perceived as a bribe if given before a deal is completed. My hypotheses with regard to gift content and timing are as follows:

H1: Declining a gift is perceived to be more appropriate than accepting it, regardless of when the gift is presented.

Influence outcomes

Power

Giving a gift has implications for the future of the relationship because the recipient must have some sort of response (even no response is a kind of response). In the realm of reciprocity and gift-giving, the recipient of a gift who decides to reciprocate can either return the gift with one that is equally matched in value, greater in value, or lower in value. In the Asian context, to return a gift of lower value implies one's intention of possibly terminating the relationship.

Research has shown that acceptable repayments in Chinese culture should either match or exceed the value of the received gift, as instructed in the fundamentals of Confucianism (D. Hwang & Staley, 2005; Yeung & Tung, 1996). Therefore, in a workplace context, gifts are usually exchanged with equivalent values or returned in increasing value (i.e., outgiving each other). If the gift exchange follows a tit-for-tat principle, each gift received will be returned at the approximated equivalent value. The quality of the relationship does not grow deeper over time. When a member of the dyad is an outgiver, every gift returned is worth more than the gift received (Voreacos, 2013). An outgiver may either act in this manner because of the existing cultural norms (e.g., *guanxi*; D. Hwang & Staley, 2005; Yeung & Tung, 1996) or choose to behave in such a way so as to have power and control over the relationship (Schwartz, 1967). *Guanxi* sets the relational expectations for the individuals involved: the appropriate gift at the appropriate time improves the quality of the relationship. In turn, the quality of the relationship influences the outcomes for those

involved in the relationship. For example, employees who share a closer relationship with their superiors have better bonuses and better promotion opportunities (Law et al., 2000).

Returning to our focus on the workplace, it is commonplace for professionals in the healthcare industry to be given small gifts (e.g., stationary items) from pharmaceutical companies who are attempting to sway them into purchasing drugs from the companies. These pharmaceutical companies are in a rat race to outgive each other because they understand that the act of receiving a gift is also an acceptance of two intangibles. First, by accepting a gift, one agrees with the gift giver's perception of what one wants. Second, receiving a gift also signifies an agreement to a certain identity (Schwartz, 1967). The act of receiving the gift signals the subtle submission of the recipient to the giver, hence clarifying the power see-saw of who's on top and who's not (cf. Gouldner, 1960, 1973). One can keep ahead of the competition by ensuring that others are always obligated to return the favour. This is the reason that gift-giving, coupled with the concept of reciprocity, allows one to acquire and establish prominence and power (Schwartz, 1967). Hence, to get ahead of their competitors, companies attempt to outgive each other so as to ensure that the scales are always tipped against the penultimate giver's favour. In other words, the goal of such reciprocity is never to achieve equality between the dyads (cf., Gouldner, 1960, 1973). In consideration of the power and relational dynamics that can be involved in gift-giving in a *guanxi* culture, I propose the following hypotheses:

H2a: Participants will indicate that managers who accept the gift will expect the next business transaction with the same client to be smoother than those who declined the gift.

H2b: Participants will indicate that managers who accept the gift will perceive the business partnership with the client to be closer than those who declined the gift.

H2c: Participants will indicate that managers who accept the gift will expect more future business dealings with the same client as compared to those who declined the gift.

Similarly, I expect that when participants are asked to put themselves in the position of the manager and indicate what they would expect in that situation, they will have identical expectations for the outcomes as they indicated for the manager. This perspective was tested as I wanted to find out the difference between what the Singaporean participants felt ought to be done (social expectations) and what they feel they would do (personal decisions).

H3a: As the manager, participants who accepted the gift will expect the next business transaction with the same client to be smoother more than those who declined the gift.

H3b: As the manager, participants who accepted the gift will perceive the business partnership with the client to be closer than those who declined the gift.

H3c: As the manager, participants who accepted the gift will expect more future business dealings with the same client as compared to those who declined the gift.

Trust

Gift exchanges can also be a medium through which trust is established and maintained. Through the exchange of resources and information, collaborations that have a common goal boost trust in the relationship (Block, 1996). There are two categories of exchange relationships, namely economic exchange relationships and social relationships (Blau, 1964). Economic exchange relationships involve the use of official contractual documentation to specify the details of what each of the involved parties agrees to commit to by a certain date. These “hard” agreements are very different from social exchanges, which differ primarily in that it does not involve the use of formal documentation of the relationship requirements, promises, and deadlines. The parties involved understand that by going into a “soft” agreement, there is an element of risk involved in which one cannot demand the return of a favour, or exact a promise through legal means. Instead, the recipient of the favour/gift is expected to develop a sense of indebtedness to the giver and feel obliged to return the favour/gift to the other party in the future. If gift-giving behaviours are a natural extension of

guanxi (Law et al., 2000), and trust is created through the repeated exchange of gifts and favours (Smart, 1993), then it would follow that by building *guanxi*, trust is also established.

Based on the proposition that trust is an outcome of *guanxi* development, I predict that those who are willing to accept gifts in the Singaporean workplace will trust the giver more than those who decline the gift. That is, willingness to accept a gift is an index of trust:

H4: Participants will perceive that managers who accept the gift trust the client more than those who declined the gift.

As before, I also asked participants to put themselves in the place of the manager and indicate what they would do:

H5: As the manager, participants who accepted the gift trust the client more than those who declined the gift.

According to Lee Kuan Yew, the first Prime Minister and current Minister Mentor of Singapore, “the Chinese use *guanxi* ‘to make up for the lack of the rule of law and transparency in rules and regulations’” (Yeung & Tung, 1996, p. 56). In this light, *guanxi* might be taken as a replacement for the law, since it forms part of an informal network to allow businessmen to bypass the inefficiencies embedded within bureaucracies. This observation supports the notion that “*guanxi* is anti-bureaucratic and pro-individual” (Alston & He, 1997, p. 104). However, Singapore emphasizes following the law, and has gone to great lengths to ensure that transparency is its international brand (“Singapore Least Corrupt,” 2012). Thus, the question arises: do Singaporeans embrace the law? Or, do they adhere to the principles of *guanxi*? Because of the *guanxi* influence system, I expect the following:

H6: Participants would rather do business with those they trust rather than those who follow the law.

Because Study 1 found that participants indicated different responses regarding what was appropriate and what was effective (what they themselves would do), I also asked participants to put themselves in the position of a manager and indicate what they themselves would do when presented with a gift.

H7: Singaporean participants will indicate that the manager should decline the gift, but when answering as if they themselves were the manager, they will indicate they would accept the gift.

Table 5: Summary of Hypotheses

Appropriateness of Manager's response to Gift	H1: Declining a gift is perceived to be more appropriate than accepting it, regardless of when the gift was presented.
Perceived Relationship by Gift Response	<p>H2a: Participants will indicate that managers who accept the gift will expect the next business transaction with the same client to be smoother than those who declined the gift.</p> <p>H2b: Participants will indicate that managers who accept the gift will perceive the business partnership with the client to be closer than those who declined the gift.</p> <p>H2c: Participants will indicate that managers who accept the gift will expect more future business dealings with the same client as compared to those who declined the gift.</p> <p>H3a: As the manager, participants who accepted the gift will expect the next business dealing with the same client to be smoother more than those who declined the gift.</p> <p>H3b: As the manager, participants who accepted the gift will perceive the business partnership with the client to be closer than those who declined the gift.</p> <p>H3c: As the manager, participants who accepted the gift will expect more future business dealings with the same client as compared to those who declined the gift.</p>
Perceived Trust by Gift Response	<p>H4: Participants will perceive that managers who accept the gift will trust the client more than those who declined the gift.</p> <p>H5: As the manager, participants who accepted the gift will trust the client more than those who declined the gift.</p>

H6: Participants would rather do business with those they trust rather than those who follow the law.

H7: Participants will state that the manager should decline the gift but they would accept the gift if they were in the position of the manager.

Method

Participants

Two sets of data were used for Study 2a. I first collected data set 1 (a quantitative survey) to address hypotheses H1 to H6. I collected data set 2 (a qualitative survey) to provide more depth of insight into the findings from data set 1 and to shed light on H7. I integrate the findings from the two data sets in the presentation of the results.

Data set 1 consisted of 213 participants (20.66% males and 79.34% females) who enrolled for a non-remunerated online study at a large Singaporean university. The quantitative study entailed a 2 (type of gift [individual or shared]) by 2 (timing of gift [given before or after the deal is completed]) by 2 (the recipient's response to the gift [accept or decline]) design. Participants were randomly assigned into one of the eight conditions (see Table 6).

The response rate was high at 93.4% ($N = 199$) and the age range of the sample was between 18 and 25 years of age ($M = 20.51$, $SD = 1.45$). The sample had a racial distribution of 89.4% Chinese ($n = 178$), 4.5% Malay ($n = 9$), 3.5% Indian ($n = 7$), and 2.5% Others ($n = 5$). The sample was mostly Singaporeans (83.4%), with 13 permanent residents (6.5%), and 20 individuals of various nationalities (10.1%). Only Chinese participants who were either Singaporean or Singaporean permanent residents for a minimum of 10 years were included in the analyses ($N = 163$). A majority of the participants (96.3%) reported having done some

paid work prior to the survey, and these work involvements lasted an average of 11.06 months ($SD = 9.95$).

Table 6: Summary of Study Conditions and Abbreviations

Gift Type (2)	Recipient's Response (2)	Gift Timing (2)	Abbreviations
Individual	Accepted the gift	After deal	IAA
		Before deal	IAB
	Declined the gift	After deal	IDA
		Before deal	IDB
Shared	Accepted the gift	After deal	SAA
		Before deal	SAB
	Declined the gift	After deal	SDA
		Before deal	SDB

Quantitative Survey Measures

The online survey for data set 1 began with a short hypothetical scenario about a business transaction between a manager and a client in a Singaporean context (see Appendix C). The template for the scenarios was adapted from Fu and Yukl's study (2000). In the scenario, the participant read that a 40-year-old Singaporean client had a business dealing with a manager from another company and secured a good commission through the transaction. The client then presented the manager with a gift (randomized between an individualized gift of a gift voucher and a shared gift of a food hamper) before or after the commission was awarded. In the scenario that the gift was presented before the commission, participants read that the client informed the manager that such gift-giving gestures were only done for business partners who made a difference. The manager either received or declined the gift, and all eight scenarios ended in the same manner, in which six months has gone by and the dyad was about to strike up another business deal.

After reading the scenario, participants rated the appropriateness of the manager's actions (accept/decline) (from 0 *Definitely Not Appropriate* to 100 *Definitely Appropriate*), and the appropriateness of the gift (0 *Very Inappropriate* to 100 *Very Appropriate*). To ensure participants were perceiving a difference in conditions, participants were also asked to indicate the magnitude of the impact of the gift on the manager's decision-making process (0 *No Impact* to 100 *Maximum Impact*) and the valence of the impact of the gift (0 *Very Negative* to 100 *Very Positive*).

Participants also rated how much the manager trusted the client (from 0 *Definitely Will Not Trust* to 100 *Definitely Will Trust*), the expected smoothness of the next business transaction with the same client (from 0 *Much Worse* to 100 *Much Smoother*), the perceived closeness of the business partnership (from 0 *Very Distant* to 100 *Very Close*), and the expectation of future business dealings with the same client (from 0 *Very Likely* to 100 *Very Unlikely*). Participants also rated these same questions taking the perspective of the manager.

Finally, participants were asked to indicate their preference with regard to doing business with either a trusted person or with someone who follows the law, and to indicate the average cost of a business gift they would be willing to spend on a client (on a scale from SGD\$0 to SGD\$500 [US\$370]). They also estimated what they thought to be the maximum cost of a business gift allowed by law in Singapore (on a scale from SGD\$0 to SGD\$500).

Qualitative Survey

For the qualitative survey conducted with data set 2, a total of 522 participants from the same large Singaporean university (27.3% male) registered for a 30-minute online questionnaire. Participants were randomly assigned into one of the eight conditions used in data set 1 and read the same scenarios. Of the total sign ups, 91.38% of the questionnaires were completed ($n = 477$). The age of the sample ranged between 18 and 26 years of age ($M = 20.85$, $SD = 1.55$), with most of the participants being Singaporean of Chinese ethnicity.

For the purposes of this study, only ethnically Chinese Singaporeans ($n = 350$) and Singaporean permanent residents for at least 10 years ($n = 24$) were retained for the subsequent analyses ($N = 374$). The majority of the participants had work experience (93.6%) of an average of 11.37 months ($SD = 12.38$).

The participants in the qualitative survey (data set 2) responded to open-ended questions pertaining to how the manager would perceive the meaning of the gift, what the participants thought the manager should do regarding the gift, what they would do if they were in the position of the manager, the reasons for the impact of the gift on the manager, and the appropriate time for gift-giving.

Participants were also asked to share some ways in which trust can be built in a business relationships. After looking at the results, I decided to conduct a Study 2b and collect a U.S. sample for comparison in order to better understand the data collect in Singapore. Therefore the results of the analysis of qualitative questions pertaining to trust will be presented with the U.S. sample in Study 2b.

Analytic technique

Using an open coding procedure in Nvivo, the participants' written responses were analysed for categories. New categories were created for themes that did not fit into existing labels. This process continued until no new categories were identified. Following that, the categories were analysed for recurring patterns and themes. The different themes were compared for each question. The focus was to identify the participants' perspectives on the meaning-making process of gift-giving. A second coder independently analysed the data and both sets of results were compared. There was a high level of agreement between the coded themes (98%) and discrepancies were reanalysed and coded.

Results

In order to highlight the findings of the study clearly and provide additional insight into the findings of the quantitative data, the qualitative analysis of relevant sections will be presented after the quantitative analysis for questions that had both qualitative and quantitative components.

MANOVA

To test for the effects of extraneous variables, multivariate analysis of variance (MANOVA) was applied to data set 1 and the results showed nonsignificant differences for the participants' gender, age, and work experience. There was a statistically significant difference across the eight conditions in the participant's perception of the appropriateness of the manager's response to the gift, the perceived magnitude of impact of the gift on the manager's decision-making process, and the perceived valence of the impact of the gift, based on the randomly assigned conditions of the participants, $F(28, 1310.24) = 5.80, p = .000$; Wilk's $\lambda = .656$, partial $\eta^2 = .100$. In other words, the conditions (see Table 6) had an impact on the participants' perception of the gift exchange process in the workplace.

Analysis of Variance

In order to tease apart the effects of the gift type (individual or shared), the recipient's response to the gift (accept or decline), and the timing of the gift (presented before or after the deal was completed), three-way between-subjects ANOVA was conducted on the means of corresponding groups using data set 1. To check whether participants did indeed perceive the gift as having an impact of the expected valence, I first analyzed the impact questions as a form of manipulation check.

Perceived magnitude of the impact of the gift on the manager's decision-making process.

A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the impact of the gift on the manager's decision

making process. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the impact of the gift on the manager's decision making process, $F(7, 366) = 1.40, p = .204$.

Simple main effects analysis showed that the impact of the gift on the manager's decision making process were significantly greater when managers accepted the gifts than managers who declined the gift ($p = .000$), but there were no differences between gift type ($p = .236$) or gift timing ($p = .895$). No interaction effects were observed.

Perceived Valence of the Impact of the Gift.

A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the type of impact the gift had on the manager. There was a statistically significant interaction between the effects of gift type, recipient response, and gift timing on the type of impact the gift had on the manager, $F(7, 366) = 2.065, p = .047$.

Simple main effects analysis showed that the type of impact the gift had on the manager were significantly more positive when managers accepted the gifts than managers who declined the gift ($p = .000$), but there were no differences between gift type ($p = .759$) or gift timing ($p = .977$). No interaction effects were observed.

Qualitative Analysis of the Reason for the Impact of the Gift.

Participants cited showing appreciation as the top reason for the impact of the gift, stating that the recipient of the gift "would feel appreciated and honoured. The presentation of the gift to him serves as a boost to his pride and confidence" (80 of 493, 16.23%). Twenty six participants also wrote that the gift would leave a good impression (5.27%), and that the gift would increase the work involvement of the recipient (41 of 493, 8.32%).

The data also revealed an intrinsic understanding of *guanxi*, with participants stating that the gift would have an impact because it is a form of pressure, as the "manager may feel

obliged or inclined to be nice to the client in future after he received the gift” (73 of 493, 14.81%). The gift would also serve to ingratiate the recipient, thus giving him “positive feelings towards his client, and thus be more motivated to do a better job” (53 of 493, 10.75%). Participants also shared that the gift is impactful because the gift not only builds the relationship (12 of 493, 2.43%), it also serves to help the giver gain future benefits (51 of 493, 10.34%).

However, the gift may bring a negative impact because the giver may have an ulterior motive (14 of 493, 2.84%) as the recipient “may feel that the client is trying to ‘suck up’ to him or bribe him with the gift so that he will help the client in the second transaction and make it a smoother/easier one”. The gift may also be perceived to be a form of bribery (28 of 493, 5.68%) that ruins the reputation of the recipient (20 of 493, 4.06%).

Some participants wrote that the gift is part of business etiquette (14 of 493, 2.84%), and can be construed as a sincere gesture (10 of 493, 2.03%) that maintains business relationship (2 of 493, .41%). Participants thought that the gift had an impact because of the timing of the gift (2 of 493, .41%), and shared that the gift served as a bonus (7 of 493, 1.42%), a reward (13 of 493, 2.64%), and a favour (1 of 493, .20%).

In contrast, some participants wrote that the gift might be understood as a form of extrinsic motivation (1 of 493, .20%) that crosses boundaries (2 of 493, .41%) and depended on the manager’s personality (11 of 493, 2.23%) or greed (7 of 493, 1.42%). The concept of trust was highlighted by one participant who wrote that the gift has an impact when trust is formed (1 of 493, .20%). One participant shared that the gift had an impact because it would lead the recipient to become complacent (1 of 493, .20%), while others were uncertain of the reason for the impact of gift (8 of 493, 1.62%). Some participants wrote that the gift would not have an impact (15 of 493, 3.04%).

After all the themes from the responses were identified, the themes were collated and sorted in Nvivo based on the Pearson correlation values between the themes. Fine adjustments were made to group the themes based on their similarities in meaning and the themes were found to reside in one of three overlapping categories. The categories were labelled *Guanxi influence system*, *Appropriate*, and *Inappropriate* (see Figure 1). Themes that were considered by the participants to be associated with pressure, ingratiation, coalition, exchange, and personal appeals were grouped in under the category called *Guanxi influence system* (e.g., “ingratiation”). Themes that were considered by the participants to be appropriate interpretations of the gift were grouped under the category called *Appropriate* (e.g., “sincerity”), and themes that were considered by the participants to be inappropriate interpretations of the gift were grouped under the category called *Inappropriate* (e.g., “ruin reputation”). Themes that were found to reside in two or three categories were placed in the overlapping areas of the categories (e.g., the participants’ interpretation of the gift as crosses boundaries is inappropriate and it is also a form of influence within the *guanxi* influence system).

Figure 1. Categories of Themes from Qualitative Analysis of the Perceived Reasons for Impact of Gift

Perceived Appropriateness of the Manager's response to the Gift.

A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the appropriateness of the manager's response to the gift. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the appropriateness of the manager's response to the gift, $F(7, 366) = 1.409, p = .200$.

Simple main effects analysis showed that the manager's response to the gift were significantly more appropriate when managers declined the gifts than managers who accepted the gift ($p = .000$), but there were no differences between gift type ($p = .719$) or gift timing ($p = .599$). No interaction effects were observed.

Qualitative Analysis of Perceived Appropriateness of the Response to Gifts.

What Should the Manager Do?

The results revealed three recurring themes regarding what the participants thought the manager should do in response to the gift (see Table 7). The themes were "Accept gift", "Not accept gift", and "Uncertain". Most of the participants agreed that the manager should not accept the gift (178 of 339, 52.51%), far more than those who stated that the manager should accept the gift (70 of 339, 20.65%). Of those who did not agree with accepting the gift, some participants thought that the manager should decline the gift and substitute the gift with another gesture (13 of 339, 3.83%).

Of those who agreed with the acceptance of the gift, some participants shared that the manager should also report the gift (12 of 339, 3.54%), or redirect it to the company (2 of 339, .59%), while others wrote of accepting the gift after persuasion (14 of 339, 4.13%). Participants also wrote about sharing the gift (10 of 339, 2.95%), and reciprocating after receiving the gift (16 of 339, 4.72%). The remaining participants were uncertain of how the manager should respond in the situation (23 of 339, 6.78%).

What would You do if you were the Manager?

When placed in the position of the manager, participants' responses were similar to those in the previous question (i.e., What should the manager do?). The majority of participants stated their preference for declining the gift (188 of 343, 54.81%). Some participants wrote that they would decline the gift and request a substitution (14 of 343, 4.08%), and others wrote that they would redirect the gift to the company (8 of 343, 2.33%). Less than half that number stated that they would accept the gift (70 of 343, 20.41%), with variations that included reciprocating (24 of 343, 7%), and sharing the gift (3 of 343, .87%). Some participants responded that they would accept the gift only after being persuaded to do so (14 of 343, 4.08%), while the remaining participants were uncertain of their actions (20 of 343, 5.83%). Unlike the responses to the manager question, participants did not write about reporting the gift. Two participants made responses not found in the manager question. One suggested accepting the gift and asking for more (1 of 343, .29%), and one stated that he would reciprocate the gesture after being persuaded to accept the gift (1 of 343, .29%).

Comparisons between manager and participant responses

Using data set 2, a chi-square test was conducted between the matching pairs of themes from the Singaporean respondents' answers to the questions "What should the manager do?" and "What would you do if you were the manager?". Of the eight pairs of themes found, only one theme yielded significant results (see Table 7). As compared to what participants thought the manager should have done, fewer participants thought they would have accepted the gift and shared the gift with others if they were in the position of the manager, $\chi^2(1) = 3.93, p = .048$. While this result did not support Hypothesis 7, this result is similar to the finding in Study 1, in which participants' responses towards societal expectations and their own personal preferences differed.

Table 7: Chi-Square test Results for Participant Responses towards Gift

Singapore						Cross tabulations					
What should the manager do?			What would you do if you were the manager?			Chi-Square Tests		Phi		Cramer's V	
Theme	No of References Coded (N = 339)	% Coverage	Theme	No of References Coded (N = 343)	% Coverage	Pearson Chi- Square	Asymp. Sig (2- sided)	Value	Approx. Sig.	Value	Approx. Sig.
Not accept gift	178	52.51	Not accept gift	188	54.81	.364	.546	.023	.546	.023	.546
Accept gift	70	20.65	Accept gift	70	20.41	.006	.938	-.003	.938	.003	.938
Uncertain	23	6.78	Uncertain	20	5.83	.263	.608	-.020	.608	.020	.608
Accept gift and reciprocate	16	4.72	Accept gift and reciprocate	24	7.00	1.602	.206	.048	.206	.048	.206
Accept gift after persuasion	14	4.13	Accept gift after persuasion	14	4.08	.001	.975	-.001	.975	.001	.975
Not accept gift and substitute	13	3.83	Not accept gift and substitute	14	4.08	.027	.869	.006	.869	.006	.869
Accept gift and share	10	2.95	Accept gift and share	3	0.87	3.927	.048	-.076	.048	.076	.048
Redirect gift to company	2	0.59	Redirect gift to company	8	2.33	3.583	.058	.072	.058	.072	.058
Accept on the condition that it should not affect subsequent dealings	1	0.29	-	-	-	-	-	-	-	-	-
Report it to company	12	3.54	-	-	-	-	-	-	-	-	-
-	-	-	Accept gift after persuasion and reciprocate	1	0.29	-	-	-	-	-	-
-	-	-	Accept gift and ask for more	1	0.29	-	-	-	-	-	-

Perception of the Manager's interpretation of the Gift.

A three-way between-subjects ANOVA was conducted with data set 1 to examine the effect of gift type, recipient response, and gift timing on the manager's interpretation of the gift. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the manager's interpretation of the gift, $F(7, 366) = 1.886, p = .071$.

Simple main effects analysis showed that the interpretation were significantly more appropriate when managers accepted the gifts than managers who declined the gift ($p = .000$), but there were no differences between gift type ($p = .217$) or gift timing ($p = .994$). No interaction effects were observed.

Perception of the Manager's interpretation of the Gift.

The most popular recurring theme from the participants in data set 2 was that the manager would perceive the gift as "showing appreciation" (181 of 541, 33.46%). Bribery was the second most often recurring category (100 of 541, 18.48%), with some participants stating that the gift had an underlying motive as the client was "trying to get into his good books" (25 of 541, 4.62%). Some of the participants displayed an understanding of *guanxi* and gift-giving, citing that gift-giving practices build the business relationship (40 of 541, 7.39%), and that the gift giver would "gain some other benefits in the future" (97 of 541, 17.93%). Twenty-three participants also wrote that the gift would be "a form of pressure" (23 of 541, 4.25%).

Some participants wrote that the manager would perceive the gift to be a reward (21 of 541, 3.88%) and a bonus (4 of 541, .74%) that could increase the work involvement of the recipient (8 of 541, 1.48%). Participants shared that the gift was a favour (3 of 541, .55%), a test (1 of 541, .18%), and an insult to the recipient (1 of 541, .18%) that had no impact (2 of 541, .37%).

Others stated that gift-giving was a form of business etiquette (15 of 541, 2.77%) to maintain business relationships (12 of 541, 2.22%) or serve as a benchmark for commission (1 of 541, .18%). Only a couple indicated that the gift was a signal of trust (2 of 541, .37%). Some participants shared that the gift would have no impact (2 of 541, .37%), that it depended on the manager's personality (3 of 541, .55%), and that they were uncertain (2 of 541, .37%).

When all the themes were from the responses were identified, the themes were collated and sorted in Nvivo based on their Pearson correlation values. Fine adjustments were made to the groupings based on their similarities in meaning and the themes were found to reside in one of three overlapping categories (i.e., *Guanxi influence system*, *Appropriate*, and *Inappropriate*; see Figure 2). Themes that were considered by the participants to be associated with pressure, ingratiation, coalition, exchange, and personal appeals were grouped in under the category called *Guanxi influence system* (e.g., “a form of pressure”). Themes that were considered by the participants to be appropriate interpretations of the gift were grouped under the category called *Appropriate* (e.g., “as a bonus”), and themes that were considered by the participants to be inappropriate interpretations of the gift were grouped under the category called *Inappropriate* (e.g., “bribery”). Themes that were found to reside in two or three categories were placed in the overlapping areas of the categories (e.g., the participants' interpretation of the gift as showing appreciation is appropriate and it is also a form of influence within the *guanxi* influence system).

Figure 2. Categories of Themes from Qualitative Results for Perception of the Manager's interpretation of the Gift

Figure 2. In this diagram, the themes were categorized into three overlapping circles. The “*Guanxi* Influence System” category comprised of themes that were associated with pressure, ingratiation, coalition, exchange, and personal appeals. The “Appropriate” category comprised of themes that were considered by the participants to be appropriate interpretations of the gift. The “Inappropriate” category comprised of themes that were considered by the participants to be inappropriate interpretations of the gift.

Appropriate Time for Gift-Giving.

When asked about the appropriate timing for gift-giving, 144 participants stated that it should occur “after a successful business dealing” (33.72%), with some writing that it should happen “when the client and the manager will no longer have any future working relationship” (17 of 427, 3.98%). Eight participants stated that it should not occur within the business setting (8 of 427, 1.87%), with others claiming that it should never occur at all (8 of 427, 1.87%). While some participants felt that any time is a good time for gift-giving as long as the gift is addressed to the company (3 of 427, .70%) and when the gift is not too

extravagant (2 of 427, .47%), this view is contrasted by those who wrote that the most appropriate time for gifts is when a friendship exists between the gift exchange dyads (3 of 427, .70%), when the intention is to build the business relationship (2 of 427, .47%), and when the gift giver wants to show appreciation to the recipient (2 of 427, .47%).

Many participants also shared that gift-giving can occur during festive occasions (e.g., Christmas, Chinese New Year; 118 of 427, 27.63%), special occasions (e.g., birthdays; 55 of 427, 12.88%), and corporate functions (12 of 427, 2.81%). Some participants felt that it was appropriate to give gifts during the first meet up (4 of 427, 0.94%), while others are comfortable to present gifts during the business deal (11 of 427, 2.58%). An interesting theme that surfaced was that participants felt that gift-giving is appropriate when trust is formed between the individuals (27 of 427, 6.32%; see Figure 3). Of the remaining participants, one participant felt that the appropriate time for gifts is during leisure (1 of 427, .23%) while the others were uncertain (10 of 427, 2.34%).

When all the themes were from the responses were identified, the themes were collated and sorted based on their similarities in meaning (e.g., festive occasions and special occasions were grouped under the category called *seasonal*). The themes were found to reside in one of six distinct categories (i.e., *Outside business context*, *Seasonal*, *Within business context*, *Uncertain*, *Never*, *On the condition that*; see Figure 3). For example, themes that were considered by the participants to be associated with gift-giving outside the business context included giving gifts “after the business deal” and “when no future collaboration is likely”. Themes that were considered by the participants to be associated with gift-giving on a conditional basis included gifts that were “addressed to the company” and “not too extravagant”.

Figure 3. Categories of Themes from Qualitative Results for the Appropriate Time for Gift-Giving

Participants' Perceptions of the Manager.

Manager trust of the Client

Hypothesis 4 was that participants would perceive that managers who accept the gift would trust the client more than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the amount of trust the manager will have for the client. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the amount of trust the manager will have for the client, $F(7, 366) = 1.453, p = .183$.

Simple main effects analysis showed that there were no differences between recipient response ($p = .156$), gift type ($p = .052$) or gift timing ($p = .905$) for the amount of trust the manager will have for the client. Interaction effects were observed for gift type and recipient

response ($p = .003$). Accepting the shared gifts led to a higher amount of trust, while declining individual gifts led to a higher amount of trust. Hypothesis 4 was partially supported.

Future smooth transactions

Hypothesis 2a was that participants would perceive that managers who accept the gift would expect the next business transaction with the same client to be smoother than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the expected smoothness of the next business deal with the same client. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the expected smoothness of the next business deal, $F(7, 366) = 1.697, p = .108$.

Simple main effects analysis showed that the expected smoothness of the next business deal was significantly more when managers accepted the gifts than managers who declined the gift ($p = .000$), but there were no differences between gift type ($p = .415$) or gift timing ($p = .571$). No interaction effects were observed. Hypothesis 2a was supported.

Closeness of relationship

Hypothesis 2b was that participants would perceive that managers who accept the gift would perceive the business partnership with the client to be closer than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the perceived closeness of the business partnership. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the perceived closeness of the business partnership, $F(7, 366) = .528, p = .813$.

Simple main effects analysis showed that the perceived closeness of the business partnership was significantly more when managers accepted the gifts than managers who

declined the gift ($p = .000$), but there were no differences between gift type ($p = .257$) or gift timing ($p = .766$). No interaction effects were observed. Hypothesis 2b was supported.

Continuation of the relationship

Hypothesis 2c was that participants would perceive that managers who accept the gift to expect more future business dealings with the same client as compared to those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the expectation of future business dealings with the same client. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the expectation of future business dealings with the same client, $F(7, 366) = 1.305, p = .247$.

Simple main effects analysis showed that the expectation of future business dealings with the same client was significantly more when managers accepted the gifts than managers who declined the gift ($p = .002$), but there were no differences between gift type ($p = .745$) or gift timing ($p = .411$). No interaction effects were observed. Hypothesis 2c was supported.

Participants as the Manager.

Trust of the client

Hypothesis 5 was that when placed in the position of the manager, participants who accepted the gift would trust the client more than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the amount of trust the participants will have for the client if they were in the manager's position. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the amount of trust the participants will have for the client if they were in the manager's position, $F(7, 366) = 1.067, p = .384$.

Simple main effects analysis showed that there were no differences between recipient response ($p = .804$), gift type ($p = .435$) or gift timing ($p = .819$) for the amount of trust the

participants will have for the client if they were in the manager's position. Interaction effects were observed for gift type and recipient response ($p = .041$). Accepting the shared gifts led to a higher amount of trust, while declining individual gifts led to a higher amount of trust. Hypothesis 5 was partially supported.

Smoothness of future transactions

Hypothesis 3a was that as the manager, participants who accepted the gift would expect the next business dealing with the same client to be smoother more than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the expected smoothness of the next business deal participants will have if they were in the manager's position. There was a statistically significant interaction between the effects of gift type, recipient response, and gift timing on the expected smoothness of the next business deal participants will have if they were in the manager's position, $F(7, 366) = 3.996, p = .000$.

Simple main effects analysis showed that the expected smoothness of the next business deal participants will have if they were in the manager's position was significantly more when managers accepted the gifts than managers who declined the gift ($p = .007$), but there were no differences between gift type ($p = .498$) or gift timing ($p = .361$). No interaction effects were observed. H3a was supported.

Closeness of the relationship

Hypothesis 3b was that as the manager, participants who accepted the gift would perceive the business partnership with the client to be closer than those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the perceived closeness of the business partnership participants will have if they were in the manager's position. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on

the perceived closeness of the business partnership participants will have if they were in the manager's position, $F(7, 366) = 1.510, p = .163$.

Simple main effects analysis showed that the perceived closeness of the business partnership participants will have if they were in the manager's position was significantly greater when managers accepted the gifts than managers who declined the gift ($p = .019$), but there were no differences between gift type ($p = .341$) or gift timing ($p = .808$). Interaction effects were observed for gift type and recipient response ($p = .020$). Accepting both individual and shared gifts led to a greater degree of perceived closeness. H3b was supported.

Continuation of the relationship

Hypothesis 3c was that as the manager, participants who accepted the gift would expect more future business dealings with the same client as compared to those who declined the gift. A three-way between-subjects ANOVA was conducted to examine the effect of gift type, recipient response, and gift timing on the expectation of future business dealings participants will have if they were in the manager's position. There was no statistically significant interaction between the effects of gift type, recipient response, and gift timing on the expectation of future business dealings participants will have if they were in the manager's position, $F(7, 366) = 1.946, p = .062$.

Simple main effects analysis showed that the expectation of future business dealings participants will have if they were in the manager's position was significantly more when managers accepted the gifts than managers who declined the gift ($p = .008$), but there were no differences between gift type ($p = .841$) or gift timing ($p = .252$). Interaction effects were observed for gift type and recipient response ($p = .032$). Accepting both individual and shared gifts led to a higher expectation of future business dealings with the same client. H3c was supported.

Trust versus the law

Hypothesis 6 was that participants would rather do business with those they trust than with those who follow the law. Analyses from data set 1 showed no statistically significant difference among the conditions on whom the participant would rather do business with as shown by the one-way ANOVA, $F(7, 154) = .211, p = .982$. The Tukey HSD post-hoc test found no significant results. Hypothesis 6 was not supported.

The goal of Study 2 was to examine gift-giving in the workplace as gift-giving has associations with the concept of trust and *guanxi*. In particular, gift-giving has been shown to be a vehicle to building relationships in the Chinese workplace (Law et al., 2000) and it is unknown if Singaporean participants will alter the cost of their gifts or obey the law of the land. Analyses from data set 1 showed no statistically significant difference among the conditions on the cost of the gift participants will buy for a client if they were the manager as shown by the one-way ANOVA, $F(7, 154) = .783, p = .603$. The Tukey HSD post-hoc test found no significant results. Participants reported that they would get a gift for a client that had an average value of SGD\$126.64 [US\$94] ($SD = 84.12$), with only three participants stating that they would get a gift that was SGD\$0.

Participants from data set 1 showed reported that the average cost of a business gift allowable by law in Singapore is worth an average of SGD\$230.28 [US\$170] ($SD = 161.21$), with answers ranging from SGD\$0-SGD\$500. Only eight participants indicated that the maximum cost was SGD\$0.

Discussion

Perceived Appropriateness

Quantitative Analysis

Results from data set 1 showed that generally speaking, accepting a gift was perceived to be more inappropriate than declining a gift, regardless of when the gift was presented and

the gift type. Hypothesis 1 was supported. In other words, it is more appropriate to decline both individual and shared gifts, regardless of when the gift is presented.

Qualitative results showed no support for Hypothesis 7. More participants in data set 2 responded that the manager should not accept the gift (52.51%), and a majority indicated that they would not accept the gift if they were the manager (54.81%). Participants who wrote that the manager should have accepted offered many ways of doing that. These themes included accepting and reciprocating the gift, accepting the gift only after they were persuaded to do so, accepting the gift and reporting to the company, sharing the gift after they received it, and accepting the gift on the condition that it would not affect subsequent dealings between the dyad. These creative solutions were also suggested by the participants who wrote that they would accept the gifts as the manager.

Results from the chi-square test conducted between the matching pairs of themes from the Singaporean participants' answers to the questions "What should the manager do?" and "What would you do if you were the manager?" revealed that fewer Singaporean participants would have accepted and shared the gift with others if they were in the position of the manager, $\chi^2(1) = 3.93, p = .048$. While this does not lend support to Hypothesis 7, this result highlighted the law-abidingness of Singaporeans and indicated that *guanxi* building beings with adhering to the law and suggests that building *guanxi* involves more than just the exchange of gifts.

Use of *guanxi* principles.

Themes from the qualitative analysis of data set 2 revealed that Singaporean participants perceived the gifts with *guanxi* principles. Participants elaborated that while it was understood as gesture of gratitude and appreciation (33.46%), some participants also saw how gift-giving can build the relationship between the business partners (7.39%) and allow the gift giver to ask for a gift/favour in the future (17.93%). Some participants displayed a

deep level of knowledge of *guanxi* and gifts, stating that the gift would cause the recipient to be pressured and indebted to the gift giver (4.25%), just as the *guanxi* influence system would have it.

Results from data set 2 showed that Singaporean participants perceived the impact of the gift with *guanxi* principles. Participants wrote that the primary reason that the gift would have an impact is that the gift would cause the recipient to “feel appreciated and honoured. The presentation of the gift to him serves as a boost to his pride and confidence” (16.23%). Participants also displayed an intrinsic understanding of *guanxi*, stating that the gift has an impact because it is a form of pressure (14.81%), elaborating that the “manager may feel obliged or inclined to be nice to the client in future after he received the gift”. Participants also reeled in the concept of ingratiation (10.75%), writing that the gift would have an impact as it would stir up “positive feelings towards his client, and thus be more motivated to do a better job”. The gift is impactful also because it serves to help the giver gain future benefits (10.34%) and builds the business relationship (2.43%). Participants also wrote of the darker side of the impact, stating that the gift may have an ulterior motive (2.84%) as the recipient “may feel that the client is trying to ‘suck up’ to him or bribe him with the gift so that he will help the client in the second transaction and make it a smoother/easier one”. Thus some participants described the gift as a bribe that has an impact because it ruins the reputation of the recipient.

Summary of Participants’ Responses.

The results from the quantitative analyses of data set 1 showed that declining a gift is perceived to be more appropriate than accepting it, regardless of the gift type and when the gift is presented. As one might expect, participants believed that accepting a gift has a larger impact on a manager’s decision-making process than declining a gift, regardless of the gift type or the timing of the presentation.

However, despite participants' belief in the inappropriateness of accepting a work-related gift in general, when asked to speculate on how the manager in the situation perceived the gift, participants thought that the managers who did accept a gift interpreted it to be more appropriate to accept than managers who decline the gift, regardless of gift type and gift timing. Despite believing that it is more appropriate to decline a gift, the participants also indicated that declining a gift has a more negative impact on the business relationship than accepting a gift. This finding supports a *guanxi* orientation, with each gift exchange having a long-lasting impact on the relationship.

The results from the qualitative analysis of data set 2 showed that a majority of the participants thought that the manager should not accept the gift and they also responded that they would not accept the gift if they were the manager. The participants suggested many creative variations to accepting the gift, which included accepting and reciprocating the gift. More Singaporean participants also wrote that the manager should accept the gift and reciprocate the gift, and that they would do so if they were the manager.

Despite indicating that it was not appropriate to accept gifts in the previous study, the majority of Singaporean participants stated that gift-giving was legal in the state. The results also showed that they would give a gift worth an average of SGD\$126.64 [US\$94], which was above the guidelines set by the Inland Revenue Authority of Singapore as well as the Singapore Association of Pharmaceutical Industries. This suggests that while they may respect the law of the state, the principles of *guanxi* guided their actions.

Trust

With regard to how much trust participants thought the manager would have for the client, there was no statistically significant difference between the conditions. That is, the response to the gift (accept or decline), gift type (individual or shared), and gift timing (gift presented before or after the deal was completed) had no significant effect on the trust levels.

This suggested that the gifts were not the main element that builds trust in business relationships. However, interaction effects were observed for gift type and recipient response. The results showed that accepting the shared gifts led to a higher amount of trust, while declining individual gifts led to a higher amount of trust. Therefore Hypothesis 4 was partially supported.

When participants put themselves in the position of the manager there was also no statistically significant difference between the conditions for how much the participants from data set 1 would trust the client. However, interaction effects were also observed for gift type and recipient response. The results showed that accepting the shared gifts led to a higher amount of trust, while declining individual gifts led to a higher amount of trust. Therefore Hypothesis 5 was partially supported. Participants viewed their own response in a similar fashion as they did with the previous question, indicating that there was more to building trust in the Singaporean workplace context than giving gifts. However, interaction effects were observed for gift type and recipient response. The results showed that accepting the shared gifts led to a higher amount of trust, while declining individual gifts led to a higher amount of trust.

Drawing from H4 and H5, it is possible that one aspect of trust building for Singaporean participants is the mutual understanding that the other party will obey the law of the land while doing business. It also displayed the sensitivity participants had for the nature of the gift, that it was appropriate to receive gifts on behalf of the team (shared gifts) and inappropriate to receive individual gifts. This conceptualization of trust might be why the acceptance of gifts did not significantly alter the levels of trust between the dyads and highlights the communal nature of *guanxi*.

Relationship Outcomes.

With regards to the relationship outcomes, the results showed strong support for all the hypotheses in this category (H2a to H3c). The results showed that accepting the gift had an effect on the business relationship, specifically on the perceived smoothness of the next business deal, the closeness of the relationship, as well as the expectation of more future business dealings with the same client. The results was also the same when participants rated these same questions taking the perspective of the manager.

With regard to participants' expectation of smoothness for the next business exchange with the same client, there was a statistically significant difference between the conditions. Participants believed that the managers who accepted the gift would expect the next business transaction with the same person to be smoother as compared to those who declined the gift. They also had the same expectations for themselves in the position of the manager.

The results from data set 1 revealed that participants perceived those managers who accepted the gift to perceive the business relationship to be closer than the managers who declined the gift. This result suggests that the gift has a positive impact on the relationship, allowing the individuals to feel closer to each other. They also reported the same increase in closeness after accepting gifts for themselves in the position of a manager.

Participants perceived that managers who accepted the gift expected future business dealings with the same client more than the managers who declined the gift. Participants predicted that if they were in the position of the manager and they accepted the gift, they would expect future business dealings with the same client more than if they declined the gift. An interesting finding was that when participants were in the position of the manager, they perceived an increased closeness and continuation of business dealings after accepting both individual and shared gifts, indicating the effects of gifts in the workplace. This result also

showed that the manipulation of questions regarding their perception of the manager and their perception as the manager was successful.

These results clearly displayed the deep penetration of *guanxi* in the Singaporean workplace, with participants stating that gifts served to enhance workplace relationships, where gift givers can ask the recipients for gifts/favours in the future. The results showed that participants perceived the relationship to be closer and expected future dealings when gifts were received.

Hypothesis 6 predicted that participants would rather do business with those they trust rather than those who follow the law. However, there was no statistically significant difference from data set 1 between the conditions regarding who the participants would rather do business with, be it a person they trust or a person who follows the law. Therefore hypothesis 6 was not supported.

There was no statistically significant difference between the conditions for the estimated cost of the gifts purchased by the participants. The results revealed that participants would get a gift for a client that had an average value of SGD\$126.64 [US\$94] ($SD = 84.12$). Despite the fact that close to a quarter of all participants indicated that gifts were illegal in the Singaporean context (24.06%), only three participants indicated that they the gift they would purchase is SGD\$0.

Overall, the results showed that despite Singapore's strong reliance on the mechanisms of *guanxi* as shown by the participants' innate understanding of how *guanxi* operates in the workplace, these results in H6 revealed that the willingness to obey the law is factored into a person's trustworthiness in a law abiding society like Singapore. This result was a further indication that there might be a new perception of trust that has developed in the Singaporean workplace, one that is an amalgamation of *guanxi* principles and state laws.

Study 2a Conclusions

The second study examined the perceptions of Singaporeans pertaining to gift-giving in the workplace setting and found that in general, Singaporean participants understand that it is inappropriate to receive gifts in the workplace. Results also showed that Singaporean participants understood that by accepting gifts in the workplace context, the business relationship is perceived to be smoother, closer, and the expectation of future business dealings is also increased. However the results showed that trust was influenced by the acceptance of the gift, and Singaporean participants did not show a preference for doing business with trusted individuals or law abiding business people. This is an important finding because while gifts influence the perception of the relationship, it did not seem to have an effect on the levels of trust between the dyad. It is possible that law abidingness is an integral component for perceived trustworthiness amongst Singaporeans. The participants also displayed a deep understanding of how their responses to gift-giving are intertwined with *guanxi* principles in the Singaporean workplace, as results showed that while accepting the shared gifts led to a higher amount of trust, declining individual gifts led to a higher amount of trust. The goal of the second part of Study 2 was to find out if this perception of gift-giving was unique to Singapore by comparing the results with a U.S. sample.

Study 2b: Qualitative Comparisons between Singapore and American

Gift exchanges have prevailed over the ages across varying cultures because these exchanges are a means of communication between individuals and groups. In other words, the gifts function as symbolic tokens in the communication process between individuals (Belk, 1979; Caplow, 1982). In the workplace context, individuals may purchase gifts for business partners and office colleagues. However, the act of gift-giving in the workplace context differs across cultures. Culture plays an important role because the influence tactics

have varying levels of effectiveness in different localities. The culture of the locality (e.g., nationality) has an effect the group culture (e.g., gender, race, etc.), and the group culture influences the organizational culture (e.g., leadership, employee culture, etc.; Nahavandi, 2011). The national culture has a strong influence on all forms of culture within the locality as it determines what can be done, how it can be done, and when it should be done (see Chakraborty, 1991). Therefore, in order to supplement the findings of Study 2a, in Study 2b, a qualitative U.S. data set similar to data set 2 in the previous study was added to compare how gift-giving is perceived in the U.S. workplace and how trust is associated with gift-giving in the U.S. workplace.

Singapore, in similar fashion to the U.S., has stringent laws that govern business activities in order to ensure transparency and fairness in the workplace (United States ranked 19th in the world with a score of 73 out of 100; ; Corruption Perceptions Index, 2013). For example, giving monetary gifts is not permissible by law and some industries impose limits on the cost and frequency of gifts in order to prevent bribery (“SAPI Code,” 2012).

However, unlike the individualistic nature of U.S., research has shown that Singapore is a collectivistic society (“What About Singapore,” n.d.) with a high Collectivism score (Global Leadership and Organizational Behaviour Effectiveness research; House, Hanges, Javidan, Dorfman, & Gupta, 2004). This can also be observed in the shared values of the nation, which emphasizes communitarian values such as “Nation before community and society above self”, “Community support and respect for the individual”, and “Consensus, not conflict” (E. Tan, 2001). Singaporeans have been found to display Confucian values such as developing a strong sense of duty and self-restraint, the formation of group consensus and identity, and having the interest of the community at heart (J. Y. C. Han, 2003). This culture is also seen in the workplace, with the establishment of the Gift Association close to two decades ago to facilitate gift exchanges between business people (“Gifts Association

Singapore,” 2011). Employees have also been found to display an understanding of *guanxi* in the Singaporean workplace, highlighting that it is important to develop good relationships with their superiors and colleagues (JobsCentral, 2011). Due to this unique mix of *guanxi* and Western law-abidingness, some research has found that Singapore is a “mix of Eastern and Westernized values” (Foo, Merrick, & Kazantzis, 2006).

As shown in the results of Study 2a, Singaporean participants perceived the gifts and impact of the gift with *guanxi* principles (e.g., *qing* (sentiment) and *yi* (obligation); Yang, 1994). However, this result is not expected for participants from the U.S. as they are used to doing business by the law (Kilachand, 2012). Therefore, I predict that fewer participants from the U.S. would be expected to perceive the gift and the impact of the gift with *guanxi* principles as they perceive gift-giving in the business context to be corrupt activity that may lead to future management issues in the company (Sanyal & Guvenli, 2009; Tepper et al., 2009).

H8: As compared to the U.S. participants, a significantly larger percentage of Singaporean participants will perceive the gifts and the impact of the gift with *guanxi* principles.

H9a: As compared to the Singaporean participants, a significantly larger percentage of U.S. participants will perceive that gift-giving is not appropriate in the workplace.

The results from Study 2a revealed that when Singaporean participants put themselves in the position of the manager, they would not accept and share the gift with others. While this did not support hypothesis 7, it displayed the law-abidingness of Singaporeans and suggests that *guanxi* building beings with obeying the law and it involves more than just an exchange of gifts. Americans are also considered to be highly law-abiding and perceive gift-giving in the business context to be corrupt activity that may lead to future management issues in the company (Sanyal & Guvenli, 2009; Tepper et al., 2009). Therefore, this

behaviour of declining gifts would also be expected of U.S. participants as there are stringent guidelines that regulate the exchange of gifts in the U.S. business sector.

H9b: As compared to the Singaporean participants, a significantly larger percentage of U.S. participants will think that the manager should not accept the gifts that are presented.

The results in Study 2a showed that participants did not perceive managers who accepted the gift to trust the client more than the managers who declined the gift, and the same was observed for participants in the managerial position as well. Specifically, as the manager, participants did not indicate that they had more trust for the client, which contradicted Hypotheses 6. While these results indicated that there might be more to building trust in the Singaporean workplace, it is still reasonable to expect that due to familiarity with *guanxi* principles, more Singaporean participants will associate gift-giving with the building of trust. This would not be expected for U.S. participants as gift-giving is perceived to be an act of bribery (Sanyal & Guvenli, 2009).

H10: As compared to the U.S. participants, a significantly larger percentage of Singaporean participants will associate gift-giving with trust building.

Method

For Study 2b I collected a new qualitative data set with American participants in order to make comparisons with data set 2 from study 2a (qualitative data from Singaporeans). The American data (data set 3) were collected at a large Southwest U.S. university, where 157 undergraduate students participated in a 30 minute online questionnaire. Participants either received research credits or an opportunity to win one of four gift cards. A total of 108 participants (35.4% male) completed the questionnaire and the age range was between 18 and 33 years of age ($M = 21.62$, $SD = 3.21$). All participants had been in the U.S. for a minimum of 18 years, and a majority the participants had work experience (92.7%) that averaged 29.05 months ($SD = 24.41$).

Qualitative Survey and Analytic Technique

The qualitative survey used for Study 2b was identical to that used in Study 2a. That is, participants responded to open-ended questions pertaining to how the manager would perceive the meaning of the gift, what the participants thought the manager should do regarding the gift, what they would do if they were in the position of the manager, the reasons for the impact of the gift on the manager, and the appropriate time for gift-giving. Participants were also asked to share some ways in which trust can be built in a business relationships.

The analytic technique used in Study 2b was identical to that used in Study 2a. The same procedure that was applied to the Singaporean sample was used for the American sample (data set 3). I used an open coding procedure in Nvivo to sort the participants' written responses into categories. New categories were created for themes that did not fit into existing labels. This process continued until no new categories were identified. Following that, the categories were analysed for recurring patterns and themes. The different themes were compared for each question. The focus was to identify the participants' perspectives on the meaning-making process of gift-giving. A second coder independently analysed the data and both sets of results were compared. There was a high level of agreement between the coded themes (98%) and discrepancies were reanalysed and coded. After the data set 3 was coded, a comparison was made with data set 2 from Study 2a.

Results

Interpretation of Gift.

The themes from the answers of the Singaporean and U.S. participants pertaining to the manager's perception of the gift were matched (see Table 8) and a chi-square test was conducted between the matching pairs of themes using data sets 2 and 3 (see Table 9). Of the 11 pairs of themes found, five themes yielded significant results. As compared to the U.S.

participants, more Singaporean participants thought the manager would perceive the gift as having future benefits, $\chi^2(1) = 10.49, p = .001$. As compared to the U.S. participants, more Singaporean participants thought the manager would perceive the gift as a way of building the business relationship, $\chi^2(1) = 5.27, p = .022$.

As compared to Singaporean participants, more U.S. participants thought the manager would perceive the gift as a form of showing appreciation, $\chi^2(1) = 4.05, p = .044$. Also, more U.S. participants thought the manager would perceive the gift as a form of insult, $\chi^2(1) = 4.88, p = .027$, and that the manager would be uncertain about how to perceive the gift, $\chi^2(1) = 6.07, p = .014$. These results lend support to Hypothesis 8, because a significantly larger percentage of Singaporean participants perceived the gifts and the impact of the gift with *guanxi* principles as compared to the U.S. participants.

Table 8: Comparisons between Singapore and U.S. Perceptions of Gift

Manager's Perception of Gift							
Singapore				U.S.			
Theme	No of References Coded (N = 541)	% Coverage	Examples	Theme	No of References Coded (N = 118)	% Coverage	Examples
Show appreciation	181	33.46	Showing his appreciation.	Show appreciation	51	43.22	As an appreciation and thank you gift.
Bribery	100	18.48	Bribery.	Bribery	22	18.64	The manager would perceive this gift as bribery which is illegal.
Future benefit	97	17.93	Gain some other benefits in future.	Future benefit	7	5.93	Kick back, bribe, symbol of acceptance to promise to do business again.
Build business relationship	40	7.39	To try to build a good relationship.	Inappropriate	10	8.47	The Manager might view it as inappropriate because this is a business partner.
Ulterior motive	25	4.62	Trying to get into his good books.	Ulterior motive	4	3.39	Trying to grease the wheels.
A form of pressure	23	4.25	A form of pressure.	Awkward	4	3.39	It would be... awkward.

As a reward	21	3.88	As a reward for his effort in helping the client.	As a reward	4	3.39	It feels nice to be rewarded for good work.
Business etiquette	15	2.77	Just part and parcel of business etiquette.	Uncertain	3	2.54	It depends on what type of business they were doing. Could be a genuine thank you gift or a bribe.
Maintain business relationship	12	2.22	Maintain business relations.	Build business relationship	2	1.69	That his work was appreciated and he made a difference. He should think of it as an act at building a friendly business relationship.
Increase work involvement	8	1.48	Make him more involved to do his work.	A form of pressure	2	1.69	Perhaps that there'd be strings attached, or that it would be a show of "see what I've done for you" and expect payment in return in one regards or another.
As a bonus	4	0.74	An extra bonus.	As an insult	2	1.69	He would perceive it like a slap in the face because he did the work.
As a favour	3	0.55	Asking for favours.	Show pity	2	1.69	Probably as seeing him less fortunate.

Manager's personality	3	0.55	Dependent on the type of personality that the manager has.	Extrinsic motivation	1	0.85	Positive reinforcement.
No Impact	2	0.37	Nothing. The amount is insignificant.	Increase work involvement	1	0.85	It was an extra incentive to get more commission.
Signal of trust	2	0.37	As a form of close business relationship that I have trust in the client.	Ingratiation	1	0.85	That the person receiving the gift would think favourably on the next encounter between the two groups. Ethically, this is wrong.
Uncertain	2	0.37	Not sure.	Manager's personality	1	0.85	That the guy was very generous and being respectful.
A test	1	0.18	Test of integrity.	Uncomfortable	1	0.85	It could be that the person giving the gift really just wanted to be nice and say thank you or maybe they have a lot of money so a \$200 item is not a big thing for them to give away. If I were to receive a \$200 present from a customer I would feel a bit awkward and possibly uncomfortable. It might be seen as a bribe or as

							something unnecessary for a manager-client relationship.
As an insult	1	0.18	Take it as an insult to his work ethics.	-	-	-	-
Benchmark for commission	1	0.18	He may perceive it as the client implying that the commission he should receive to be no less than the value of the gift (\$200).	-	-	-	-

Note. Five of the U.S. participants did not leave a response and were not considered in the analysis.

Table 9: Chi-Square Test Results of Manager's Perception of Gift between Singapore and U.S. Participant

Manager's Perception of Gift						Crosstabulations					
Singapore			U.S.			Chi-Square Tests		Phi	Cramer's V		
Theme	No of Ref. Coded (N = 541)	% Coverage	Theme	No of Ref. Coded (N = 118)	% Coverage	Pearson Chi-Square	Asymp. Sig (2-sided)	Value	Approx. Sig.	Value	Approx. Sig.
Show appreciation	181	33.46	Show appreciation	51	43.22	4.05	.044	.078	.044	.078	.044
Bribery	100	18.48	Bribery	22	18.64	.002	.968	.002	.968	.002	.968
Future benefit	97	17.93	Future benefit	7	5.93	10.49	.001	-.126	.001	.126	.001
Build business relationship	40	7.39	Build business relationship	2	1.69	5.27	.022	-.089	.022	.089	.022
Ulterior motive	25	4.62	Ulterior motive	4	3.39	.349	.555	-.023	.555	.023	.555
A form of pressure	23	4.25	A form of pressure	2	1.69	1.74	.188	-.051	.188	.051	.188
As a reward	21	3.88	As a reward	4	3.39	.064	.800	-.010	.800	.010	.800
Uncertain	2	0.37	Uncertain	3	2.54	6.07	.014	.096	.014	.096	.014
Increase work involvement	8	1.48	Increase work involvement	1	0.85	.287	.592	-.021	.592	.021	.592
Manager's personality	3	0.55	Manager's personality	1	0.85	.138	.710	.014	.710	.014	.710

As an insult	1	0.18	As an insult	2	1.69	4.88	.027	.086	.027	.086	.027
Business etiquette	15	2.77	-	-	-	-	-	-	-	-	-
Maintain business relationship	12	2.22	-	-	-	-	-	-	-	-	-
As a bonus	4	0.74	-	-	-	-	-	-	-	-	-
As a favour	3	0.55	-	-	-	-	-	-	-	-	-
No Impact	2	0.37	-	-	-	-	-	-	-	-	-
Signal of trust	2	0.37	-	-	-	-	-	-	-	-	-
A test	1	0.18	-	-	-	-	-	-	-	-	-
Benchmark for commission	1	0.18	-	-	-	-	-	-	-	-	-
-	-	-	Inappropriate	10	8.47	-	-	-	-	-	-
-	-	-	Awkward	4	3.39	-	-	-	-	-	-
-	-	-	Show pity	2	1.69	-	-	-	-	-	-
-	-	-	Extrinsic motivation	1	0.85	-	-	-	-	-	-
-	-	-	Uncomfortable	1	0.85	-	-	-	-	-	-
-	-	-	Ingratiation	1	0.85	-	-	-	-	-	-

Reason for Impact of Gift.

The themes from the answers of the Singaporean and U.S. participants' pertaining to the reason for the impact of the gift on the manager were matched (see Table 10) and a chi-square test was conducted between the matching pairs of themes using data sets 2 and 3 (see Table 11). Of the 13 pairs of themes found, only one theme yielded significant results. As compared to the U.S. participants, more Singaporean participants thought the gift had an impact because it would increase the work involvement of the recipient, $\chi^2(1) = 5.01, p = .025$. Hypothesis 8 was supported.

Table 10: Comparisons between Singapore and U.S. Participants' Response for the Reason for Impact of Gift-giving

Reason for Impact of Gift on Manager							
Singapore				U.S.			
Theme	No Refs Coded (N = 493)	% Coverage	Examples	Theme	No Refs Coded (N = 101)	% Coverage	Examples
Show appreciation	80	16.23	He would feel appreciated and honoured. The presentation of the gift to him serves as a boost to his pride and confidence.	Show appreciation	23	22.77	Shows that the other guy appreciated working with him and that everything went well.
A form of pressure	73	14.81	Manager may feel obliged or inclined to be nice to the client in future after he received the gift.	A form of pressure	8	7.92	The manager would feel more obligated to do business with the client in the future.
Ingratiation	53	10.75	It would give him positive feelings towards his client, and thus be more motivated to do a better job.	Ingratiation	8	7.92	Gift would let manager think positive for the client and the gift will make the client a special one for the manager.
Future benefit	51	10.34	He will have a positive image of the client and will help him in future dealings.	Bribery	8	7.92	Because it is a form of bribery.
Increase work involvement	41	8.32	It would give him positive feelings towards his client, and thus be more motivated to do a better job.	Extrinsic motivation	8	7.92	It works as a motivator to the Manager in trying to get it once more.
Bribery	28	5.68	The manager would feel as if the client is trying to bribe him with gifts.	Size of gift	6	5.94	Because of the value amount of the gift card.
Leave a good impression	26	5.27	Leaves a good impression of the client.	Leave a good impression	6	5.94	Well it would make him look good and know that is effort is appreciated.
Ruin reputation	20	4.06	Affect his reputation as a manager because it is his responsibility to have fair business dealings with the clients.	Future benefit	5	4.95	It could possibly be the difference in doing business with that person again in the future.
No impact	15	3.04	It's not a significant gift.	Ruin reputation	4	3.96	It would make the manager think less of the client.
Business etiquette	14	2.84	The gift would be a kind gesture as well as respectful business etiquette. The manager would be more willing to cooperate with the client.	Ulterior motive	4	3.96	It would have given the manager another thing to think about while going through the process.

Ulterior motive	14	2.84	He may feel that the client is trying to "suck up" to him or bribe him with the gift so that he will help the client in the second transaction and make it a smoother/easier one.	As a reward	3	2.97	It feels nice to be rewarded for good work.
As a reward	13	2.64	The gift acts as a form of reward for the manager, something that would benefit him either happiness or material gains. The manager would feel happy to be recognized for his efforts and would thus want that to happen more frequently in his future business dealings.	Uncertain	3	2.97	If he takes it to be a friendly gesture, then it could be a great gift. If he only sees it as an "I owe you" type of gift, then he'll interpret it negatively.
Build business relationship	12	2.43	The manager would see the client as diligent and high in EQ in the way that he makes an effort to establish a good relationship through such gestures.	Inappropriate	2	1.98	The manager already made commission. It is not the client's duty to provide extra compensation for the work completed. It might be considered inappropriate by those above the manager.
Manager's personality	11	2.23	The gift would tell us more about that business client, his personality, his attitude towards his business partner. The gift would serve as a memento of the past dealings made with that client.	Manager's personality	2	1.98	Because it is given to him because he was a good person.
Sincerity	10	2.03	He would see that the person is sincere with doing business with him.	Increase work involvement	2	1.98	He would notice that the client was very appreciative and want to go above and beyond for the client again.
Uncertain	8	1.62	Once again, I think it really depends. If the manager was interpreted the act of the client giving the gift in a good light, the impact will be positive because he feels appreciated. But if he sees it as an act of bribery, he will feel insulted and the impact will make him want to do less business with the client in the future.	Nature of gift	2	1.98	Because its money.
As a bonus	7	1.42	The gift would probably leave a good impression of the client on the manager ,	No impact	2	1.98	I don't believe that the gift should impact the decision-making process of the Manager. If it was a one-time

Greed	7	1.42	it is like a bonus reward or incentive to work with the client again. He may on one hand feel that it is not right to accept gifts from clients as it may be against company policies and his own morals. However, he may also be driven by greed and want to have more future transactions with the client so as to receive more gifts.	Shows generosity	2	1.98	occurrence the Manager should continue to act with professionalism. Shows appreciation and generosity.
Crosses boundaries	2	0.41	Because it is beyond the business deal and contractual agreements.	Rude	1	0.99	It is hard to accept generous gifts from people at the work place. The manager probably felt like it was rude to accept such a large gift whether the manager wanted the gift or not.
Maintain business relationship	2	0.41	As mentioned previously this gift may represent a token of appreciation, which somehow reflects the client's satisfaction about the working relationship between manager and client. So this may have an impact on manager's action to maintain this good relationship with the client.	Unacceptable	1	0.99	The Manager may have thought positively in doing business with the person again but knows that it is unacceptable to take a gift from a client.
Timing of gift	2	0.41	Because it was before he received the commission.	Unexpected	1	0.99	Because he wasn't expecting it when he made the deal.
As a favour	1	0.20	More incline to show favouritism to that particular client.	-	-	-	-
Complacency	1	0.20	It might make him complacent in his future work.	-	-	-	-
Extrinsic motivation	1	0.20	Extrinsic motivation.	-	-	-	-
When trust is formed	1	0.20	The manager would know that the pair work well together hence, need not contemplate on who to assign for this customer next time.	-	-	-	-

Note. Twelve of the U.S. participants did not leave a response and were not considered in the analysis.

[illegible]

Crosses boundaries	2	0.41	-	-	-	-	-	-	-	-	-
Maintain business	2	0.41	-	-	-	-	-	-	-	-	-
relationship											
Timing of gift	2	0.41	-	-	-	-	-	-	-	-	-
As a favour	1	0.20	-	-	-	-	-	-	-	-	-
Complacency	1	0.20	-	-	-	-	-	-	-	-	-
Extrinsic motivation	1	0.20	-	-	-	-	-	-	-	-	-
When trust is formed	1	0.20	-	-	-	-	-	-	-	-	-
-	-	-	Extrinsic	8	7.92	-	-	-	-	-	-
			motivation								
-	-	-	Size of gift	6	5.94	-	-	-	-	-	-
-	-	-	Inappropriate	2	1.98	-	-	-	-	-	-
-	-	-	Nature of gift	2	1.98	-	-	-	-	-	-
-	-	-	Shows	2	1.98	-	-	-	-	-	-
			generosity								
-	-	-	Rude	1	0.99	-	-	-	-	-	-
-	-	-	Unacceptable	1	0.99	-	-	-	-	-	-
-	-	-	Unexpected	1	0.99	-	-	-	-	-	-

Comparisons between Appropriate Timing for Gifts in Singaporean and U.S. participants.

The themes from the answers of the Singaporean and U.S. participants' pertaining to the appropriate timing for gift-giving were consolidated (see Table 12) and a chi-square test was conducted between the matching pairs of themes using data sets 2 and 3. Of the eight pairs of themes found, three themes yielded significant results (see Table 13). As compared to the U.S. participants, more Singaporean participants thought an appropriate time for gift-giving was after the business deal, $\chi^2(1) = 7.34, p = .007$. As compared to Singaporean participants, more U.S. participants thought an appropriate time for gift-giving was when trust is formed between the dyad, $\chi^2(1) = 3.96, p = .047$. As compared to Singaporean participants, more U.S. participants thought there was never an appropriate time for gift-giving, $\chi^2(1) = 34.65, p = .000$. Hypothesis 9a was supported.

Table 12: Comparisons between Singapore and U.S. Participants' Response for Appropriate Time for Gift-giving

When is an Appropriate Time for Gift-giving							
Singapore				U.S.			
Theme	No of References Coded (N = 427)	% Coverage	Examples	Theme	No of References Coded (N = 89)	% Coverage	Examples
After the business deal	144	33.72	After a successful business dealing.	After the business deal ends	17	19.10	When business has already been finished as a symbol of appreciation.
Festive occasions	118	27.63	Festive occasions like Christmas, or Chinese new year.	Festive occasions	17	19.10	Holidays.
Special occasions	55	12.88	Occasions such as birthdays.	Never	14	15.73	Never.
When trust is formed	27	6.32	When you trust each other well enough and gift-giving is on a friends' basis, not associated with work benefits.	When trust is formed	11	12.36	When you have a closer relationship with that person and to show gratitude to them.
When no future collaboration is likely	17	3.98	When the client and the manager will no longer have any future working relationship.	Special occasions	11	12.36	Office party. Retirement. Some sort of holiday (i.e. Secretary's Day, etc.). Birthday.
Corporate functions	12	2.81	During the anniversary of the company or any events that is related to the company and not a personal event.	As a reward	10	11.24	If the client is very pleased, a small gift of appreciation can be appropriate.
During the business deal	11	2.58	After some time of cooperating maybe after 2 or 3 months, or when the project is 25% done.	During the business deal	4	4.49	When you're trying to decide on a price.

Uncertain	10	2.34	It depends on the rationale behind the gift-giving.	Anytime	2	2.25	Any time is appropriate if given with good and real intentions.
Never	8	1.87	Never.	As a bonus	1	1.12	For a bonus.
Outside business context	8	1.87	When business transaction has officially ended and not within a business setting.	When it is to show appreciation	1	1.12	Whenever it is used as a "thank you" instead of a reward.
During the first meeting	4	0.94	During initial meetings.	Uncertain	1	1.12	It depends on the job and the type of gift that is being given that will determine the appropriate time. If it's a small family business gifts are more acceptable but in a large corporation they may seem less appropriate.
Friendship	3	0.70	When the relationship between them is friends but not clients and managers or when the client and manager will not work with each other anymore.	-	-	-	-
When it is addressed to company	3	0.70	When the gift is address to the company, and not personally to the managers.	-	-	-	-
Build business relationship	2	0.47	After a big successful business deal to thank him for the help, or during special occasions (e.g., Chinese New Year) to maintain relations.	-	-	-	-
When it is not too extravagant	2	0.47	The gift is not overly extravagant.	-	-	-	-
When it is to show Appreciation	2	0.47	The message behind the gift-giving could be quite clear in the sense that it is to appreciate and thank the client/manager	-	-	-	-

			during the past year for their efforts put in in maintaining the business relationship.				
Leisure	1	0.23	There should not be any physical gifts directly as it would be seen as bribe. However, one can invite business partners out for some leisure and paying for the tabs.	-	-	-	-

Note. Twenty six of the U.S. participants did not leave a response and were not considered in the analysis.

[illegible]

Friendship	3	0.70	-	-	-	-	-	-	-	-	-
When it is addressed to company	3	0.70	-	-	-	-	-	-	-	-	-
Build business relationship	2	0.47	-	-	-	-	-	-	-	-	-
When it is not too extravagant	2	0.47	-	-	-	-	-	-	-	-	-
Leisure	1	0.23	-	-	-	-	-	-	-	-	-
-	-	-	As a reward	10	11.24	-	-	-	-	-	-
-	-	-	Anytime	2	2.25	-	-	-	-	-	-
-	-	-	As a bonus	1	1.12	-	-	-	-	-	-

Response of Manager towards a Gift.

The themes from the answers of the Singaporean and U.S. participants' pertaining to what participants thought the manager should do were matched (see Table 14) and a chi-square test was conducted between the matching pairs of themes using data sets 2 and 3. Of the six pairs of themes found, one yielded significant results (see Table 15). As compared to Singaporean participants, more U.S. participants thought the manager should have accepted the gift, $\chi^2(1) = 5.92, p = .015$.

Table 14: Comparison between Singapore and U.S. Participants' Response for the Response of the Manager towards the Gift

What Should the Manager Do							
Singapore				U.S.			
Theme	No of References		Examples	Theme	No of References		Examples
	Coded (N = 339)	% Coverage			Coded (N = 81)	% Coverage	
Not accept gift	178	52.51	He should decline the gift politely and seek understanding from the client in terms of his rationale for not doing so.	Not accept gift	42	51.85	Decline the gift.
Accept gift	70	20.65	Receive the gift with thanks.	Accept gift	27	33.33	Accept the gift.
Uncertain	23	6.78	It depends. If it is beneficial for both parties to continue their working relationship, the manager should accept the gift as it does not do any harm. However if the manager is not interested in continuing to work with the client, the manager should decline the gift.	Uncertain	7	8.64	If he feels comfortable e should take it, if he does not then he shouldn't.
Accept gift and reciprocate	16	4.72	The manger may accept the gift as a form of goodwill and return another gift.	Not accept gift and substitute	2	2.47	He should say that he is grateful the work is appreciated it but he can't take it or tell him to donate it to charity.

Accept gift after persuasion	14	4.13	The manager should decline the gift first. He should say the gift is too expensive. However, if the client insists the manager to accept the gift, I think it would be more gracious to accept it.	Accept gift after persuasion	2	2.47	Take care of the client as he/she did last time but do not necessarily expect to receive the gift again. If the manager does, then kindly accept it.
Not accept gift and substitute	13	3.83	Reject the gift but maybe offer a cheaper alternative like treating a meal.	Report it to company	1	1.23	Consult the company policy or his boss.
Report it to company	12	3.54	The manager should report the gift to the company.	-	-	-	-
Accept gift and share	10	2.95	He should share the gift with the rest of his colleagues who worked on the project, to show that the client appreciates their work as a departmental team.	-	-	-	-
Redirect gift to company	2	0.59	Reject the gift and thanks the client for his good will. If the client insists of sending a gift, inform him to send it as a corporate gift instead of a personal one.	-	-	-	-
Accept on the condition that it should not affect subsequent dealings	1	0.29	Make it clear that the gift has nothing to do with their professional relationship.	-	-	-	-

Note. Sixteen of the U.S. participants did not leave a response and were not considered in the analysis.

[illegible]

Participant's Response towards Gift.

The themes from the answers of the Singaporean and U.S. participants' pertaining to what participants thought they would do if they were the manager were matched (see Table 16). A chi-square test was conducted between the matching pairs of themes and of the six pairs of matching themes, two themes yielded significant results (see Table 17). As compared to Singaporean participants, more U.S. participants would have accepted the gift if they were the manager, $\chi^2(1) = 10.28, p = .001$. As compared to the U.S. participants, more Singaporean participants would have accepted the gift and reciprocated if they were the manager, $\chi^2(1) = 4.33, p = .037$. These results did not support for Hypothesis 9b.

Table 16: Comparison between Singapore and U.S. Participants' Response for What they would do as the Manager

What Would You Do if You were the Manager							
Singapore				U.S.			
Theme	No of References		Examples	Theme	No of References		Examples
	Coded (N = 343)	% Coverage			Coded (N = 87)	% Coverage	
Not accept gift	188	54.81	I will not take the hamper. So that I will not have any weakness that falls under the client's hands.	Not accept gift	42	48.28	Not accept it.
Accept gift	70	20.41	I would accept the gift but not let it influence my future choices.	Accept gift	32	36.78	Accept the gift.
Accept gift and reciprocate	24	7.00	I would accept the gift and also, give another gift back in return.	Accept gift after persuasion	4	4.60	I would accept the gift after insisting not to receive it.
Uncertain	20	5.83	Depending on company rules, the possibility of future collaboration, whether the Client would accept my reason for declining the gift or become angry, whether it is a social norm within my company, I might or might not accept the gift.	Uncertain	4	4.60	I would consult my boss or human resource adviser.

Accept gift after persuasion	14	4.08	I would have refused the gift but depending on the situation and the Client's body language, I might accept when I feel that it is rude to decline.	Accept gift and share	2	2.30	Keep the gift and say thank you. Maybe share it with other people who helped make the deal, depending on whether the gift was something you could share or not.
Not accept gift and substitute	14	4.08	I will kindly decline the gift. If the client insists, I will have the client treat me to a meal instead.	Report to company	1	1.15	I would keep record of the gift and put it back into to the company for something positive.
Redirect gift to company	8	2.33	I would ask the client to address the gift to the company.	Work with the client in the future	1	1.15	Decline the gift and probably do business with the client in the future.
Accept gift and share	3	0.87	I will share it with the rest of the department.	Accept gift and reciprocate	1	1.15	Give more presents.
Accept gift after persuasion and reciprocate	1	0.29	I would accept the gift, only persistence from the client and maybe get a gift for him as well.	-	-	-	-

Accept gift and ask for more	1	0.29	Ask for more.	-	-	-	-
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Note. Seventeen of the U.S. participants did not leave a response and were not considered in the analysis.

Table 17: Chi-Square Test Results between Singapore and U.S. Participants' Response for What they would do as the Manager

What Would You Do if You were the Manager						Crosstabulations					
Singapore			U.S.			Chi-Square Tests		Phi		Cramer's V	
Theme	No of References Coded (N = 343)	% Coverage	Theme	No of References Coded (N = 87)	% Coverage	Pearson Chi- Square	Asymp. Sig (2- sided)	Value	Approx. Sig.	Value	Approx. Sig.
Not accept gift	188	54.81	Not accept gift	42	48.28	1.19	.275	-.053	.275	.053	.275
Accept gift	70	20.41	Accept gift	32	36.78	10.28	.001	.155	.001	.155	.001
Accept gift and reciprocate	24	7.00	Accept gift and reciprocate	1	1.15	4.33	.037	-.100	.037	.100	.037
Uncertain	20	5.83	Uncertain	4	4.60	.200	.655	-.022	.655	.022	.655
Accept gift after persuasion	14	4.08	Accept gift after persuasion	4	4.60	.046	.830	.010	.830	.010	.830
Accept gift and share	3	0.87	Accept gift and share	2	2.30	1.23	.268	.053	.268	.053	.268

Not accept gift and substitute	14	4.08	-	-	-	-	-	-	-	-	-
Redirect gift to company	8	2.33	-	-	-	-	-	-	-	-	-
Accept gift after persuasion and reciprocate	1	0.29	-	-	-	-	-	-	-	-	-
Accept gift and ask for more	1	0.29	-	-	-	-	-	-	-	-	-
-	-	-	Report to company	1	1.15	-	-	-	-	-	-
-	-	-	Work with the client in the future	1	1.15	-	-	-	-	-	-

Participant's Responses Pertaining to Trust.

When questioned about the appropriate timing of a gift, 6.32% of Singaporean participants wrote that the most appropriate time to present a gift is when trust is formed, stating when “when you trust each other well enough and gift-giving is on a friends' basis, not associated with work benefits”. In comparison, 12.36% of the U.S. participants wrote that the most appropriate time to present a gift is when trust is formed, elaborating that the best time for gift-giving is “When you have a closer relationship with that person and to show gratitude to them”. The chi-square test showed that as compared to Singaporean participants, more U.S. participants thought an appropriate time for gift-giving was when trust is formed between the dyad.

It was interesting to note that from the results of the qualitative analysis, some Singaporean participants wrote that the manager would perceive the meaning of this gift as a “signal of trust” (0.37%), writing that it would be perceived “as a form of close business relationship that I [participant] have trust in the client”. No U.S. participants saw any relation of the meaning of the gift to trust.

When asked about why the gift would have an impact on the manager, some Singaporean participants reeled in the concept of trust (0.20%), stating that “the manager would know that the pair work well together hence, need not contemplate on who to assign for this customer next time”. In other words, the manager has developed trust for this client. In comparison, none of the U.S. participants saw any relation of the impact of the gift to trust. As compared to the U.S. participants, a significantly larger percentage of Singaporean participants associated gift-giving with trust building. Therefore this result lends support to Hypothesis 10.

Building Trust in Business Relationship.

Participants from Singapore and the U.S. were asked to write about how they build trust in the workplaces in their respective countries. The qualitative data collected from the participants revealed a similar set of themes. These themes can be categorized into six groups: competency, continuity, communication, character, care, and chance (see Table 18). Together, these categories make up the six Cs.

Competency.

Many Singaporean participants wrote about setting and meeting expectations as an important aspect of trust building in the workplace (82 of 561, 14.62%). They shared about being professional (65 of 561, 11.59%) and competent in their jobs (26 of 561, 4.63%), and that it was important to be “law abiding” (23 of 561, 4.10%) as well. Some Singaporean participants shared about creating win-win situations (21 of 561, 3.74%), to “value add” (12 of 561, 2.14%), and to be consistent in their work (11 of 561, 1.96%). As one participant wrote, “maintaining good working relationship is important. Do you job well enough so that people see your working abilities and be open to opinions and changes.”

U.S. participants shared the same sentiments, stating that it was important to “set and meet expectations” in order to build trust in the workplace (31 of 199, 15.58%). They also believed in “professionalism” (24 of 199, 12.06%), competency (16 of 199, 8.04%), and law abidingness (9 of 199, 4.52%). Some U.S. participants stated that trust building not only involved consistency (9 of 199, 4.52%), but also creating win-win (2 of 199, 1.01%) and value adding (1 of 199, .50%). One participant shared that “You can build trust by making promises for things that you will complete and following through with those.”

Continuity.

Singaporean participants shared that building trust was about “getting to know the person / building a relationship” (56 of 561, 9.98%). They wrote that the process of trust

building involved “interactions over meals, work, and after work hours” (37 of 561, 6.60%), and that it “takes time” (20 of 561, 3.57%). Some participants suggested practical methods that included “helping others” (12 of 561, 2.14%), being committed to the existing work partnership (9 of 561, 1.60%), and being flexible when the situation calls for it (8 of 561, 1.43%). One participant stated that “there must be mutual understanding and also some instances of give-and-take. One must be able to compromise when building trust in a business relationship. Hence, one party must be able to make the first step to show that he or she is willing to commit to the relationship.” Others wrote about building trust by “respecting others” (6 of 561, 1.07%) and “working through difficult situations” (6 of 561, 1.07%), while some Singaporean participants brought up the importance of gift-giving (2 of 561, .36%) and “empowering others” (1 of 561, .18%).

U.S. participants also wrote about the importance of building the relationship to know the person better (13 of 199, 6.53%), and some suggested that the process of interacting with one another in various settings helped in the process of building trust (15 of 199, 7.54%). They shared that it takes time for trust to be built (12 of 199, 6.03%), and committing to the existing work relationship aided in the process (2 of 199, 1.01%). Some participants shared that trust can be built through the “exchange of gifts, favours, and praise” (4 of 199, 2.01%) and giving respect to others (3 of 199, 1.51%), with a small number stating that it helps to be “flexible” (1 of 199, .50%). One participant shared those who “follow through with promises. Work hard. Show respect to others” can build trust. However, unlike Singaporean participants they did not mention that “helping others”, “working through difficult situations”, nor “empowering others” contributed to the process of trust building.

Communication.

With regards to communication, Singaporean participants stated that “good communication” was essential to trust building (39 of 561, 6.95%), and that it was important

to be “open/frank” (17 of 561, 3.03%). They wrote that understanding each other (16 of 561, 2.85%) and having “constant communication” (9 of 561, 1.60%) were also important to the process of trust building. Some participants also wrote about how “communicating values and vision” (5 of 561, .89%) helped in the process. One participant sums it up by this, “firstly, I will keep all the promises I made. Secondly, I will follow through my tasks. Thirdly, I will communicate fully to all parties involved.”

U.S. participants wrote about the importance of having “good communication” (7 of 199, 3.52%), being “open/frank” (6 of 199, 3.02%), and having “constant communication” (1 of 199, .50%) in building trust. One participant wrote of how “having an honest, open relationship with the person” builds trust with others. However they did not write about “understanding each other” nor “communicating values and vision” to others in the process of trust building.

Character.

Singaporean participants wrote about the need for “honesty” (21 of 561, 3.74%), responsibility (15 of 561, 2.67%), “integrity” (7 of 561, 1.25%), reliability (7 of 561, 1.25%), and fairness (3 of 561, .53%) in the process of trust building. Some also shared about how being “trustworthy” (1 of 561, .18%) and having “charisma” (1 of 561, .18%) helped build trust. As one participant puts it, “Integrity in the business dealings will be very important as it will affect future dealings with the other party.”

U.S. participants emphasized the need to be honest to build trust (18 of 199, 9.05%), with some others sharing about how being “responsible” (3 of 199, 1.51%), “reliable” (3 of 199, 1.51%), having “integrity” (5 of 199, 2.51%), and being “trustworthy” (4 of 199, 2.01%) were important. They did not write about how fairness or being charismatic helped build trust.

Care.

Singaporean participants shared that having a “genuine interest in others” (11 of 561, 1.96%) helped to build trust in the workplace. They also wrote about how being encouraging and supportive to others (3 of 561, .53%) and being “generous” (2 of 561, .36%) helped in the trust building process.

U.S. participants wrote that having a “genuine interest in others” was important in building trust (3 of 199, 1.51%) and did not share the same sentiments about being generous or encouraging as the Singaporean participants did.

Chance.

Singaporean participants wrote of how trust can be built by first giving trust (4 of 561, .71%), and that the process of trust building “involves risk” (3 of 561, .53%). U.S. participants also shared about how trust building involves giving trust first (2 of 199, 1.01%), but unlike the Singaporean participants they saw that trust building involved a process of testing (5 of 199, 2.51%). As one U.S. participant wrote, “perhaps a test to prove how trustworthy the person is”.

Singapore-U.S. Comparison of the six Cs.

A chi-square test was conducted between the matching pairs of themes from the Singaporean and U.S. participants’ answers to the question “How would you build trust in a business relationship?” (see Table 19). Of the 35 themes identified, five pairs of theme yielded significant results. As compared to the U.S. participants, more Singaporean participants wrote that building trust in a business relationship involved helping others, $\chi^2(1) = 4.33, p = .038$. As compared to the U.S. participants, more Singaporean participants wrote that building trust in a business relationship involved understanding each other, $\chi^2(1) = 5.80, p = .016$.

As compared to Singaporean participants, more U.S. participants wrote that building trust in a business relationship involved honesty, $\chi^2(1) = 8.48, p = .004$. As compared to Singaporean participants, more U.S. participants wrote that building trust in a business relationship involved trustworthiness, $\chi^2(1) = 7.54, p = .006$. As compared to Singaporean participants, more U.S. participants wrote that building trust in a business relationship involved testing the other individual, $\chi^2(1) = 14.19, p = .000$. The results also revealed themes that were unique to each of the cultures, with Singaporean participants having 10 unique themes and the U.S. participants having only one (see Table 19).

Table 18: Singapore and U.S. Participants' Methods of Building Trust

Category	Themes	Participants					
		Singapore			U.S.		
		No of		Example	No of		Example
		Coded	%		Coded	%	
		(N = 561)	Coverage		(N = 199)	Coverage	
Competency	Set and Meet Expectations	82	14.62	Once promise, regardless legally or verbally, never break the promise.	31	15.58	You can build trust by making promises for things that you will complete and following through with those.
	Professionalism	65	11.59	Honour agreements. Maintain professional distance. Provide professional quality of work or service.	24	12.06	Being professional, and having requests, and tasks that need to be done, done on a timely matter, and done correctly.
	Competency	26	4.63	Maintaining good working relationship is important. Do you job well enough so that people see your	16	8.04	By holding up your end of the bargain, making successful business transactions, building a

			working abilities and be open to opinions and changes.			strong bond between the two of you, building ideas, rules, and regulations between the two business when doing transactions.
Law Abiding	23	4.10	Ensure that both parties adhere to the law during the course of work, by making sure that work is a separate component from other matters.	9	4.52	I would always follow through with my word, always follow the law, and stay in contact with the client on a regular basis.
Create Win-Win	21	3.74	The proposal that you produce should create a win-win situation for both parties and companies. It should not be you taking advantage of the other company. You will put yourself in the shoes of the other party when making decisions. Predict problems	2	1.01	After many deals with a person that benefit both of you I would say I would start to trust that businessperson. If I can sit down with them and tell them exactly what I need and they can deliver time and time again then I would say they are trustworthy.

			and solve them for the other party. Let them know you will always give them the best you can afford to.			
Value Add	12	2.14	Increase opportunities for interaction and participation, maintain close contact, introduce your social networks, rope him in for business opportunities, have better relationship with him outside of work.	1	0.50	To always be honest and tell the other person if you see or know of anything that someone is doing that is dishonest. Also, you should go out to a meal with them and get to know them, remember to send happy birthday and holiday cards, always be on time, and continuously show that you are trustworthy and be good to them.
Consistency	11	1.96	Ensure consistency in our dealings and clear communication during business dealings.	9	4.52	A business relationship can develop trust through business partner consistency.

Getting to know the person / building a relationship	56	9.98	Get to know the person his personality and interests. His or her environment and trustworthiness is reflected in every person's character.	13	6.53	By establishing a connection, as well as creating a reputable reputation with the client, completing tasks on time, within budget, and as efficiently as possible.
Interactions over meals, work, and after work hours	37	6.60	Heart to heart talk sessions. Regular meetings. Dinners at each other houses. Uphold your own promises.	15	7.54	Taking someone out to eat, hanging out, regular conversation.
Takes Time	20	3.57	Successful partnerships over a period of time. Transparency in business dealings, making sure that everyone is on the same page and there is mutual understanding before committing further into the relationship. Ensure that	12	6.03	By making successful deals over a period of time, when you make deadlines and deadlines are met.

			both sides are putting in equal effort to maintain the business relationship.			
Helping Others	12	2.14	I feel helping each other to succeed in what each individual does is a good way to boost trust in a business relationship. Ideas and insights can be shared to make sure both sides achieve what they want to. Covering each other's backs in an office political environment is important as well.	0	0.00	
Commitment to the Work Partnership	9	1.60	Showing commitment responsibility sincerity in our partnership and has work with us for a period of time, going through the good and bad times for	2	1.01	I would be loyal to my business partner and honest to establish a trust based and honest relationship.

			example when the company faces financial crisis they may withdraw certain partnership but choose to provide alternatives routes etc.			
Flexible	8	1.43	There must be mutual understanding and also some instances of give-and-take. One must be able to compromise when building trust in a business relationship. Hence, one party must be able to make the first step to show that he or she is willing to commit to the relationship.	1	0.50	Following through on agreements, using honesty in communication, being willing to compromise.
Respecting Others	6	1.07	Acknowledging partner's values and wants and respecting them. Involving them in decision-making,	3	1.51	Follow through with promises. Work hard. Show respect to others.

			asking for opinions, building good rapport by communicating frequently.			
Working through difficult situations	6	1.07	Showing commitment responsibility sincerity in our partnership and has work with us for a period of time, going through the good and bad times for example when the company faces financial crisis they may withdraw certain partnership but choose to provide alternatives routes etc.	0	0.00	
Exchange of gifts, favours, and praise	2	0.36	By exchanging favours, appealing to the best interest of the client.	3	1.51	I would ask for some favours and praise them.
Empowering Others	1	0.18	Engage each other opinions when doing a business deal together, ask and respect	0	0.00	

each other values, culture,
policy, feedbacks and
views; Sit down and
discuss though things
which each other have
conflict with; Follow
deadlines closely and
provide the standards of
work that each other wants;
Discuss and share with one
another the goals, values
and objectives that each
other has, so that one
another have the
expectations of what is
required of them;
Consistently conduct
reviews and feedbacks
from each other; Empower
each other in times of need.

Good Communication	39	6.95	Firstly, I will keep all the promises I made. Secondly, I will follow through my tasks. Thirdly, I will communicate fully to all parties involved.	7	3.52	Sticking to your word, getting everything in writing, good communication, respect.
Open / Frank	17	3.03	Being transparent and open with each other.	6	3.02	Having an honest, open relationship with the person.
Understand each other	16	2.85	Help each other in difficulties, to be cooperative and understanding to each other, spend some time during lunch to find out more about each other, might not be related to work stuffs.	0	0.00	
Constant Communication	9	1.60	I believe trust can be built through constant communication with the	1	0.50	If someone is accountable they are going to be very trustworthy. When

			other party. As both people worked for a longer period of time, they tend to understand each other more, either their personality or working style and as long as they can accept each other's behaviour, trust is likely to be built.			someone says they are going to do something and they do it that person will be trustworthy. Or if they are constantly keeping you in contact and letting you know if something went wrong without you having to hunt them down. They are very trustworthy.
Communicating Values and Vision	5	0.89	Deliver what I said. Under promise and over deliver so that the other party would perceive more value are being generated from the business relationship. Build rapport with the other party by establishing good relationship. Communicate own goals and vision with the other party and tell	0	0.00	

them my own expectations
from this business
relationship.

Honesty	21	3.74	To always be honest and do as what is promised. Do not over promise when I am not able to accomplish something.	18	9.05	Always following and going along with the deals at hand. To be honest with one another.
Responsible	15	2.67	Responsibility can build trust among each other because an honest and smart person can let work run smoother. Besides that, friendly also very important as this will let people have a good interaction.	3	1.51	Trust can be established by working with someone for a long time and seeing that they are responsible.
Integrity	7	1.25	Integrity in the business dealings will be very important as it will affect future dealings with the other party.	5	2.51	Honesty and integrity.
Reliable	7	1.25	Be reliable and responsible.	3	1.51	Trust is able to be established and maintained through hard work, dedication, and constant demonstration of reliability.
Fair	3	0.53	Open communication, fair dealings and practises.	0	0.00	
Trustworthy	1	0.18	Always deliver on promises, by taking responsibility when saying I will get something done. Always act in a	4	2.01	If someone is accountable they are going to be very trustworthy. When someone says they are going to do something and they do it that person will be trustworthy. Or if they are constantly keeping you in

			manner of trustworthiness to gain their trust, by always acting with integrity.			contact and letting you know if something went wrong without you having to hunt them down. They are very trustworthy.
Charisma	1	0.18	Previous dealings that went well. Charisma as a credible person.	0	0.00	

Care	Genuine Interest in others	11	1.96	Get to know the other person through social activities, be genuinely concerned and interested.	3	1.51	Working together on a project to see how the other person operates. Start with small business interactions and work up to larger and more important ones as trust is established. Express concerns and give the person/business a second chance to make things better.
	Encourage and Support	3	0.53	Initiate and be supportive. Besides that, I would give my opinions and always discuss any important business decisions with my partner.	0	0.00	
	Generous	2	0.36	Recommend business opportunities, establish win-win situations, be generous but not a fool, action speaks louder than words.	0	0.00	
	Give Trust First	4	0.71	When someone is willing to trust me in completing a task, I'll trust him as well, when someone complete his responsibility accurately, I'll trust his ability.	2	1.01	Give them task and if they do them without any supervision then I will let him do more and give them more trust.
	Involves Risk	3	0.53	I would get to know the person I am dealing with better be it on a personal level or a business level. Showing a bit of personality could go a long way	0	0.00	
Chance							

in terms of building a trusted relationship. Trust can be established and maintained in a business relationship by full transparency and disclosure. This could mean admitting mistakes and making up to the other person. Taking responsibility for tasks also adds to a valuable and trusted relationship.

Test 0 0.00

5 2.51 Perhaps a test to prove how trust worthy the person is.

		Participants				Crosstabulations					
		Singapore (N = 561)		U.S. (N = 199)		Chi-Square Tests		Phi	Cramer's V		
Category	Themes	No of References	% Coverage	No of References	% Coverage	Pearson Chi- Square	Asymp. Sig (2- sided)		Approx. Sig.		Approx. Sig.
		Coded		Coded		Square	sided)	Value	Sig.	Value	Sig.
Competency	Set and Meet Expectations	82	14.62	31	15.58	.107	.743	.012	.743	.012	.743
	Professionalism	65	11.59	24	12.06	.032	.858	.006	.858	.006	.858
	Competency	26	4.63	16	8.04	3.26	.071	.066	.071	.066	.071
	Law Abiding	23	4.10	9	4.52	.065	.799	.009	.799	.099	.799
	Create Win-Win	21	3.74	2	1.01	3.75	.053	-.070	.053	.070	.053
	Value Add	12	2.14	1	0.50	2.34	.126	-.055	.126	.055	.126
	Consistency	11	1.96	9	4.52	3.76	.052	.070	.052	.070	.052
	Getting to know the person / building a relationship	56	9.98	13	6.53	2.12	.146	-.053	.146	.053	.146

Interactions over meals, work, and after work hours	37	6.60	15	7.54	.205	.651	.016	.651	.016	.651
Takes Time	20	3.57	12	6.03	2.21	.137	.054	.137	.054	.137
Helping Others	12	2.14	0	0.00	4.33	.038	-.075	.038	.075	.038
Commitment to the Work Partnership	9	1.60	2	1.01	.370	.543	-.022	.543	.022	.543
Flexible	8	1.43	1	0.50	1.07	.301	-.038	.301	.038	.301
Respecting Others	6	1.07	3	1.51	.241	.624	.018	.624	.018	.624
Working through difficult situations	6	1.07	0	0.00	2.15	.143	-.053	.143	.053	.143
Exchange of gifts, favours, and praise	2	0.36	3	1.51	2.98	.084	.063	.084	.063	.084
Empowering Others	1	0.18	0	0.00	.355	.551	-.022	.551	.022	.551

[illegible]

Chance	Encourage and Support	3	0.53	0	0.00	1.07	.301	-.037	.301	.037	.301
	Generous	2	0.36	0	0.00	.711	.399	-.031	.399	.031	.399
	Give Trust First	4	0.71	2	1.01	.160	.689	.015	.689	.015	.689
	Involves Risk	3	0.53	0	0.00	1.07	.301	-.037	.301	.037	.301
	Test	0	0.00	5	2.51	14.19	.000	.137	.000	.137	.000

Discussion

Perceiving Gifts and its Impact with *Guanxi* Principles

Results from the chi-square test conducted between the matching pairs of themes from the Singapore and U.S. participants' answers pertaining to the manager's interpretation of the gift yielded five significant results. As compared to Singaporean participants, more U.S. participants thought the manager would perceive the gift as a form of showing appreciation, a form of insult, and thought that the manager would be uncertain about how to perceive the gift. As compared to the U.S. participants, more Singaporean participants thought the manager would perceive the gift as a way of building the business relationship and perceive the gift as having future benefits, lending support to hypothesis 8. This is due to the Singaporean participants' implicit knowledge of *guanxi* and how gifts can be used as a vehicle for relationship building, while understanding its long term impact on the relationship. This result also revealed that the gift is not inherently good or bad, but is perceived to be so by the context of its interpretation.

Results from the chi-square test conducted between the matching pairs of themes from the Singaporean and U.S. participants' answers pertaining to the reason for the impact of the gift on the manager showed one theme that yielded significant results. As compared to the U.S. participants, more Singaporean participants thought the gift had an impact because it would increase the work involvement of the recipient. This is due to the Singaporean participants' understanding of the nature of *guanxi*, of how gifts work within the *guanxi* framework, and that gifts would cause the recipient to be indebted to the gift giver and thus the recipient would try to repay the gift. This result strongly supports hypothesis 8 that predicted a significantly larger percentage of Singaporean participants to perceive the impact of the gift with *guanxi* principles.

Perception of Gift-giving in the Workplace

Results from the chi-square test conducted between the matching pairs of themes from the Singapore and U.S. participants' answers pertaining to the appropriate timing for gift-giving revealed three significant results. As compared to the U.S. participants, more Singaporean participants thought an appropriate time for gift-giving was after the business deal. Both Singaporean and U.S. participants wrote that there is never an appropriate timing for gift-giving in the workplace. However, as compared to Singaporean participants, more U.S. participants thought there was never an appropriate time for gift-giving in the workplace, lending support to hypothesis 9a.

As compared to Singaporean participants, more U.S. participants thought the manager should have accepted the gift. When placed in the position of the manager, more U.S. participants would have accepted the gift but more Singaporean participants would have accepted the gift and reciprocated the gesture by returning the gift. Although hypothesis 9b was not supported, this result showed that Singaporean participants had a strong understanding of Western social expectations as well as a good grasp of *guanxi* principles. As one Singaporean participant wrote, "I will not take the hamper, so that I will not have any weakness that falls under the client's hands".

These results may be attributed to the Singaporean participants' creative solution to embrace *guanxi* in the workplace while working within the limits of the law. While the Singaporean participants understand that the law states that they ought not to give gifts (e.g., there is never an appropriate time to give gifts), they also recognize the importance of gifts within the *guanxi* framework and therefore worked around this issue gingerly by presenting gifts after the business deal has concluded. This is not without effect as the nature of *guanxi* is long term; therefore the gift serves only to dulcify the relationship between the giver and the recipient. As compared to Singaporean participants, more U.S. participants thought an

appropriate time for gift-giving was when trust is formed between the dyad. This may be attributed to how sensitive the U.S. participants are about the law surrounding gift-giving that they would rather exchange gifts with trusted individuals who will not misinterpret their gift-giving gestures or subject them unnecessarily to the pressures of reciprocating the gift. As compared to the U.S. participants, more Singaporean participants would have accepted the gift and reciprocated if they were the manager. This is due to the Singaporean participants' fuller understanding of *guanxi*, knowing in their hearts that it is more appropriate to reciprocate gifts. The results displayed the Singaporean participant's knowledge of how gifts induce a sense of indebtedness in the recipient and how reciprocating returns the power back to the giver.

Gift-giving and Trust building

A relationship between gifts and trust surfaced in the analysis: Only Singaporean participants saw a relationship between gift-giving and trust, specifically that gifts were a sign of trust between the gift exchange dyad and that the gift would have an impact because it would lead to trust between the individuals. This result supports hypothesis 10 that predicted a significantly larger percentage of Singaporean participants to associate gift-giving with trust building. Both Singaporean and U.S. participants stated that the appropriate time for gift-giving is when trust is established in the relationship. This may be a defense mechanism developed by the law-abiding participants to ensure that gifts are exchanged with trusted individuals who will not abuse the gesture and pressure the recipients to return the gift on the gift-giver's terms.

Building trust

The results from the qualitative analysis of data set 2 revealed 34 themes that Singaporean used to build trust. The themes could be grouped into six major categories,

namely competency, continuity, communication, character, care, and chance. There were 10 unique themes that arose from the sharing of the Singaporean participants. The participants wrote about how lending a helping hand to others, working through difficult situations at work, and empowering others in the journey of building trust. They also shared about how communicating values and developing an understanding for each other is important for trust to be built. The Singaporean participants highlighted the necessity to be a generous person who encourages and supports others, and also shared about how being fair and charismatic aided in the process. They also acknowledged that building trust comes with a certain level of risk, for one would not know if the efforts would pay off. These findings from the Singaporean participants paint a clear picture of the high level of awareness they have of the effects of *guanxi* in the workplace, all while respecting the boundaries of the law.

Results from the U.S. sample in data set 3 showed 24 themes that could be grouped into the same categories as found with the Singaporean participants (i.e., competency, continuity, communication, character, care, and chance). Unlike the Singaporean sample, only one unique theme was found in the U.S. participants' material. U.S. participants saw trust building as a process of testing the other individual. This spoke of the mind-set behind the participants and stands in stark contrast with the long-term orientation and reciprocal nature of *guanxi*.

Singapore U.S. Comparison of the six Cs.

In this comparison of themes using data from data sets 2 and 3, themes that were unique to each culture were not included in the analysis. Of the 24 remaining themes common to both Singapore and U.S., five pairs returned significant results. The results showed that as compared to the U.S. participants, Singaporean participants were more aware of *guanxi* principles and focused more on understanding each other and helping the other party. This highlighted the communal nature of *guanxi* that is upheld by the Singaporean

participants. In comparison, more U.S. participants wrote that building trust in a business relationship involved honesty, trustworthiness, and testing the other party. This result supported hypothesis 8.

Summary of Qualitative Analysis of Participants' Perceptions.

Singaporean participants displayed a deep knowledge of *guanxi* through their explanations of the interpretation of the gift and its impact. This was not observed in the responses of the U.S. participants. The responses of the participants for the appropriate timing for gift-giving was also indicative of their understanding of *guanxi*, as more Singaporean participants shared that an appropriate time for gifts would be after the business deal. This shed light into the creative ways in which Singaporean participants can engage in gift-giving behaviours while respecting the state laws.

Many participants stated that appropriate gift-giving can occur during festive occasions (e.g., Christmas, Chinese New Year), special occasions (e.g., birthdays), and corporate functions. Participants also shared that it was most appropriate to present gifts “after a successful business dealing”, “when the client and the manager will no longer have any future working relationship”. Participants also wrote that gift-giving behaviours should not be conducted within the business setting, with some stating that this should not be an occurrence at all. All these signaled a strong sense of obedience to the law. Despite this strong portrayal of lawfulness, some Singaporean participants shared that it was appropriate to present the business partners with gifts during the initial meeting. Both Singaporean and U.S. participants felt that gift-giving is appropriate when trust is formed between the individuals. This may be attributed to the law abidingness of the participants who would rather do business with trusted individuals in order to reduce the risk of dealing with those who would misinterpret their gifts and exploit the system to demand for a reciprocated gift.

This study had several limitations. As this was an online study, there was minimal interaction between the participants and the researchers. Increased interaction between the participants and the researchers may have enhanced the quality of answers and boosted the participation rate (X. P. Chen et al., 1998). The sample from phase one was pooled from the Psychology Division, hence it represented the gender distribution inherent in the division. Ideally, the sample would have been an approximately equal mix of male and female genders. Although the study recruited university undergraduates, care was taken to ensure that most of the participants had work experience. The second phase of the study at Arizona State University could have had more sign ups if it had a longer run time. Therefore, despite the comparable age range between the Singaporean and U.S. participants, the uneven ratio of Singaporean sample (374) as compared to the U.S. sample size (108) was taken into consideration in the analyses. An improvement to this study could be to conduct in depth interviews or focus group discussions with the participants to better understand how they build trust and establish *guanxi* in the workplace. This is because such interviews could elicit more detailed information on the process of trust building. The study was also subjected to the effects of social desirability (e.g., Singaporeans were found to be inclined to align themselves to social expectations; see J. Y. C. Han, 2003; E. Tan, 2001). While the study tried to reduce the social desirability by asking the participants to rate the variables from a third person perspective, a social desirability scale could be included in future measures to further reduce the effects of social desirability on the results.

Study 2 Conclusions

From the results, the power of the law can be seen at work, as declining a gift is perceived to be more appropriate than accepting it. Participants also demonstrated the Western perspective by indicating that gifts are not appropriate in the workplace. The results also shed light on the nature of the gift, which is neither inherently good nor bad but is

perceived to be so by the context of its interpretation. In the Singaporean context, the power of *guanxi* is can be seen, as an accepted gift is not only perceived have a positive effect on the smoothness, closeness, and expectation of future business dealings., it is also perceived to have a positive impact on the trust between the dyad. The results also showed that while accepting the shared gifts led to a higher amount of trust, declining individual gifts led to a higher amount of trust. The study also revealed that people may have different responses when they are evaluating others and themselves in the same scenario.

Business people should note that timing of the gift had no effect on the valence and impact of the gift, thus displaying the long term nature of *guanxi* in the workplace. Results also showed that while accepting the shared gifts led to a higher amount of trust, declining individual gifts led to a higher amount of trust, thereby showcasing the communal nature of *guanxi* in the workplace and showed how participants can respect the laws while embracing *guanxi* practices.

The results also showed that participants had a clear implicit knowledge of what should be done based on the *guanxi* influence system. The effectiveness of the influence tactics in the *guanxi* influence system were more effective in the Singaporean workplace as compared to what they were taught (i.e., legitimation, rational persuasion, inspirational, and consultation as socially appropriate and effective). In addition, the Singaporean participants connected the concept of gift-giving with trust building. Specifically, gifts were not only a sign of trust between the gift exchange dyads, the gifts would also lead to the establishment of trust between the individuals. Both Singaporean and U.S. participants stated that the best time for gifts was when trust is established in the relationship. Cross-cultural research has shown how businesses in the West differ from those in Chinese societies in the way decisions are made and how the concept of reciprocity is involved (Warren et al., 2004). Chinese companies display high levels of transferable relationship effectiveness (i.e., reciprocity) that

is embedded in duty and obligations. This may translate to giving gifts and exchanging favours that goes above and beyond what is allowed by the law. On the other hand, business in America is expected to be conducted by the book (Kilachand, 2012), adhering strictly to the rules. It emphasizes the behaviour of business people (in contrast to a focus on the relationship between the people involved). This difference may lead to business people perceiving that relational business conduct is unethical (Trompenaars & Hampden-Turner, 1998). This difference in perception can be attributed to how “in the west, relationships grow out of deals; in China, deals grow out of relationships” (Hoivik, 2007, p. 460). I wanted to examine if Singaporeans would lean on the law or flow along with *guanxi* principles. The results indicated a unique relationship between the two concepts: Singaporeans trust those who follow the law, and *guanxi* is built with those who are trusted.

The results of this study also showed that there might be more to trust building than gift-giving. In addition, recipients of gifts were found to be more expectant of future dealings with the same client, and they also perceived the relationship to be closer and future transactions to be smoother.

Implications

This study has some implications for businesses in Singapore. Companies should take note of the influence tactics that are both socially appropriate and effective in the interfirm and intrafirm context to maximise efforts to build *guanxi* in the Singaporean workplace. In particular, tactics that were shown to be effective in the West (i.e., rational persuasion, legitimation, inspirational appeals, and consultation tactics) would not work as effectively in a Singaporean context. Employees may benefit from the knowledge that having a title or position does not necessarily accord the individual with the desired level of influence. Instead, employees can enhance their influence in the workplace by utilizing influence tactics that adhere to the principles of *guanxi* (i.e., pressure, coalition, ingratiation, exchange, and

personal appeals). In particular, employees may find it helpful to know that gift-giving behaviours naturally activate all five influence tactics, but care is required to understand the intricacies of gift-giving such that it will not be perceived as a bribe or cross the boundaries of the law.

When a business partner presents a gift, care has to be taken to project the image that the gift is much appreciated and the first response should not be one of rejection towards the gift. This is because on one hand, there is the perceived inappropriateness of accepting the gift, which can be misinterpreted as an act of bribery or corruption. On the other hand, the results showed that Singaporean participants will perceive the gifts and the impact of the gift with *guanxi* principles and associate gift-giving with trust building. Therefore Singaporean employees may require training to navigate through the conflict between what they know ought to be done (i.e., declining the gift to obey the law) and what they feel they would do (i.e., not declining the gift due to *guanxi*).

With regards to presenting gifts, business people should note that while accepting gifts had a larger perceived positive impact on a manager's decision-making process, the timing of the gift did not have a significant effect on the perceived impact of the gift. This can be attributed to the long term effects of the gift in a society that is familiar with *guanxi* principles. One method to reap the benefits of the gift is to give appropriate gifts during the times that are considered most appropriate by working adults. The results revealed that many participants considered appropriate gift-giving timings to be during festive occasions (e.g., Christmas, Chinese New Year), special occasions (e.g., birthdays), and corporate functions. However, not all gifts have the same effect. To build trust in the Singaporean workplace, employees should understand that accepting shared gifts and declining individual gifts at the appropriate time will lead to a greater levels of trust. This is because the law is obeyed while embracing *guanxi* practices.

Employees in Singapore would do well to note that the responses to gifts had an effect of the quality of business relationship in the future, with those who accepted the gift to expect more business with the same client in the future, and that the business transactions would be smoother, and that they would feel that the business relationship is closer. Results indicated that although gifts were important in the workplace, it was not the only means of building trust in the Singaporean workplace. The results suggest that the participants did not prefer doing business with those they trust rather than those who follow the law. Analysis of the results also showed a new relationship between *guanxi* and trust: Singaporeans trust those who follow the law, and *guanxi* is built with those who are trusted.

Future Explorations. The gender of the managers and clients were intentionally left out in the scenarios presented. In addition, the gender of the participants was included as a covariate in some cases of the analysis, thus suggesting possible areas of investigation. Future manipulations would include controlling for the gender of the presented characters to examine if gender has an effect on the manner in which individuals respond to gifts, and if the gender of the dyad would interact to reveal interesting results. Current manipulations also involve a six month lapse between transactions. Future manipulations would include varying the length of time difference between the business transactions, and including a scenario with a new business partner who is a friend (of varying degrees) to the current business partner. Future research can also examine the state of gift-giving in other Chinese societies and look at the evolution of gift-giving in China as the Chinese market continues to open up to foreign business and investments.

GENERAL DISCUSSION AND CONCLUSIONS

This journey began with the quest to understand influence tactics and how it affects workplace relationships in a Chinese society through the perspective of *guanxi*. I

hypothesized that of the nine influence tactics proposed by Yukl and Tracey (1992), only four (consultation, inspirational appeal, legitimation, and rational persuasion) would be seen as more socially appropriate due to the Western influences in Singapore. I also predicted that the remaining five influence tactics (coalition, exchange, ingratiation, personal appeal, and pressure) would have a higher level of perceived effective within the intra and interfirm categories. In addition, I postulated that these five influence tactics would function as a set of influence tactics rather than as individual elements and that participants will have a greater personal preference for them. My results showed that as predicted, the group of five influence tactics (coalition, exchange, ingratiation, personal appeal, and pressure) functioned as a group and had a higher level of perceived effectiveness in the workplace context. The group of four (consultation, inspirational appeal, legitimation, and rational persuasion) was also found to have higher levels of social appropriateness as expected. Despite the results showing that participants did not prefer the group of five over the group of four as predicted, the results showed that the participants had a clear implicit knowledge of what should be done based on the *guanxi* influence system (i.e., pressure, ingratiation, coalition, exchange, and personal appeals) by indicating that the *guanxi* influence tactics were more effective in the Singaporean workplace. Through that, they demonstrated that tactics in the *guanxi* influence system were more effective in the Singaporean workplace as compared to what they were taught (i.e., legitimation, rational persuasion, inspirational, and consultation as socially appropriate and effective).

Study 2 built on the findings of Study 1 by investigating one of the manifest behaviours of the *guanxi* influence system, gift-giving behaviours. Gift-giving behaviours embodied all five influence tactics and supported the findings that the group of five functioned in tandem with each other through gift-giving. I set out to delineate the nuances between gift-giving behaviours between the east and the West and the results showed that

Singaporean participants had a clear understanding of what should be done in response to gifts that were presented. In general, gifts that are presented should be accepted in order to build the business relationship. There were, however, some specific findings that were of interest. While declining the gift is perceived to be more appropriate than accepting it, an accepted gift had a positive effect on the business relationship. Results showed that after accepting gifts in the workplace context, Singaporean participants perceived the business relationship to be smoother, closer, and have an increased expectation of future business dealings with the same client. In other words, the results echoed the findings of Study 1, that although accepting a gift was seen as inappropriate (the group of four influence tactics was more socially appropriate than the *guanxi* influence system), participants knew better than to decline the gift because they were aware of the effectiveness of the *guanxi* influence system (i.e., accepting the gift would be more beneficial for the business relationship). The results also showed that while accepting the shared gifts led to a higher amount of trust, declining individual gifts led to a higher amount of trust. This result showed a greater depth of insight into how Singaporeans built trust in the workplace by embracing the ways of *guanxi* while respecting the laws of the land. The results indicated that accepting gifts had a larger perceived positive impact on the manager's decision-making process, regardless of the timing of the gift (i.e., before or after the business deal) and gift type (i.e., shared gifts or individual gifts). This finding displayed the long-term nature of *guanxi* in the workplace, showing that an accepted gift created a lasting impact in the recipient. I also wanted to find out the difference between what the Singaporean participants felt ought to be done (ideal social expectations) and what they feel they would do (personal practical decisions). In other words, I wanted to examine if the participants had an attitude-behaviour gap, where they would prescribe a social standard for others but subscribe to a personal principle. The results showed that participants' responses towards societal expectations and their own personal

preferences differed in some situations. Specifically, when participants were in the position of the manager (personal practical decisions), they perceived an increased closeness and continuation of business dealings after accepting both individual and shared gifts, indicating the effects of gifts in the workplace. Singaporean participants also felt that while the social expectation was to decline a presented gift (due to the law), they would also decline a gift if they were in the position of the manager, despite understanding the role of gift-giving in building *guanxi*. This result highlighted the law-abidingness of Singaporeans and indicated that *guanxi* building beings with obeying the law and it involves more than just an exchange of gifts.

The findings from the cross-cultural study also revealed that only Singaporean participants perceived the gifts and the impact of the gift with *guanxi* principles and saw a relationship between gift-giving and trust while the U.S. participants did not share the same sentiments. This indicated that gift-giving behaviours are important in the Chinese workplace context, not only for building *guanxi* but also for trust building. Gifts were a sign of trust between the gift exchange dyad and that the gift would have an impact because it would lead to trust between the individuals. This would have practical implications in the workplace if Singaporeans were employed in a U.S. office or if Americans were employed in Singaporean offices. Singaporean employees would interpret gifts that were given (e.g., during festivities or special occasions) in the Singaporean workplace to be building blocks for a trust relationship and reciprocate the gesture while the American employees would not be affected by the gifts in that similar fashion and potentially miss out on an opportunity to build the business relationship. On the other hand, Singaporean employees in the U.S. workplace may be misunderstood if they decided to initiate gift-giving activities in the workplace.

Although a significantly larger percentage of U.S. participants perceived that gift-giving is not appropriate in the workplace and managers should not accept gifts, both

Singaporean and U.S. participants stated that the appropriate time for gift-giving is when trust is established in the relationship. While gifts have been found to be effective in communicating trust in Singaporean workplace relationships, business people should note that blindly giving gifts is not the way to build trust in Singapore. Gift-giving to build and maintain trust has evolved with the interaction between the deeply permeating *guanxi* principles in the society and the state laws that govern the business realm. Therefore, it would be wise to understand that gift-giving is a complex undertaking, especially when one has to navigate through the principles of *guanxi* and the state laws.

The results showed that though gift-giving behaviours did contribute to *guanxi* related benefits in the workplace (e.g., increased expectation of future dealing with the same client, perceived the relationship to be closer and perceived future business dealings to be smoother), there were other elements involved in the building of trust and *guanxi*. The results from the surveys revealed that six components were involved in the process of trust building: continuity, competency, character, communication, chance, and care. This result contributed to a better understanding of how trust is built in the Singaporean workplace, highlighting that *guanxi* alone is not the golden ticket for workplace success. Instead, trust is given if laws are followed, and *guanxi* is built with those who are trusted. The *guanxi* influence system is then found in the intersection where *guanxi*, trust, and the law meet. The results paint a clearer picture of how influence tactics, the principles of *guanxi*, conceptualizations of trust, and the respect for the state law have interacted in Singaporean workplace.

Companies in Singapore should note that influence tactics that adhere to the principles of *guanxi* (i.e., pressure, coalition, ingratiation, exchange, and personal appeals) would work more effectively in a Singaporean context and gift-giving behaviours automatically activate all five influence tactics. Care should also be exercised in the expression of gift-giving, that while rejection should not be the first response, Singaporean employees may require training

to navigate through the what they know ought to be done (i.e., declining the gift to obey the law) and what they feel they would do (i.e., not declining the gift due to *guanxi*). Appropriate gifts can be given during festive occasions (e.g., Christmas, Chinese New Year), special occasions (e.g., birthdays), and corporate functions because such gifts had a positive effect on the business relationships. Even so, the results revealed that there was more to building trust in the Singaporean workplace as participants trusted those who followed the law, and *guanxi* is built with those who are trusted. Future research should explore the interaction between *guanxi*, trust, and the law to better understand how employees navigate through these complex relationships and influence one another in the Singaporean workplace.

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APPENDICES

Appendix A: Summary of Directionality and Effectiveness of Intrafirm Influence Tactics

Influence			
Tactic	Most Often Directed	Least Often Directed	Effectiveness
Legitimate	downward (Yukl & Seifert, 2002) laterally (Yukl & Tracey, 1992)		among the least effective of tactics (Falbe & Yukl, 1992; Keys et al., 1987; Schilit & Locke, 1982) effective downwards (Yukl et al., 1995)
Rational Persuasion	upward (Erez & Rim, 1982; D. Kipnis et al., 1980; Yukl & Tracey, 1992; Yukl et al., 1993) laterally (Yukl & Seifert, 2002)	downward (Erez & Rim, 1982; D. Kipnis et al., 1980; Yukl & Tracey, 1992; Yukl et al., 1993)	most successful strategy (Schriesheim & Hinkin, 1990) intermediate levels of effectiveness (Falbe & Yukl, 1992)
Inspirational Appeal	downwards (Yukl & Falbe, 1990; Yukl et al., 1995; Yukl & Seifert, 2002)	upward (Yukl & Falbe, 1990)	highly effective (Yukl & Tracey, 1992) most effective when downward and lateral (Falbe & Yukl, 1992)

Appendix A Continued

Influence			
Tactic	Most Often Directed	Least Often Directed	Effectiveness
Consultation	downward (Yukl & Falbe, 1990; Yukl et al., 1995) laterally (Yukl & Falbe, 1990; Yukl & Seifert, 2002) upward (Yukl & Falbe, 1990)		amongst the most effective amongst tactics (Falbe & Yukl, 1992) effective upwards (Schilit & Locke, 1982)
Exchange	downward (Yukl & Falbe, 1990; Yukl & Seifert, 2002; Yukl & Tracey, 1992) laterally (Cohen & Bradford, 1989; D. Kipnis et al., 1980)	upward (Schriesheim & Hinkin, 1990; Yukl et al., 1995; Yukl & Falbe, 1990; Yukl & Tracey, 1992)	intermediate levels of effectiveness in the workplace (Falbe & Yukl, 1992) effective laterally only (Yukl et al., 1995)
Personal Appeal			most successful strategy (Schriesheim & Hinkin, 1990) intermediate levels of effectiveness (Falbe & Yukl, 1992) ineffective upwards (Schilit & Locke, 1982; Case et al., 1988) ineffective laterally (Keys et al., 1987) effective laterally only (Yukl et al., 1995)

Appendix A Continued

Influence			
Tactic	Most Often Directed	Least Often Directed	Effectiveness
Ingratiation	downward (Schriesheim & Hinkin, 1990; Yukl & Falbe, 1991; Yukl & Tracey, 1992; Yukl et al., 1995) laterally (D. Kipnis et al., 1980; Yukl et al., 1995; Yukl & Tracey, 1992)		related to positive consequences (Yukl & Tracey, 1992) puts managers in likeable position (Bass, 1985) positive workplace assessment and income growth (Fiss, 2006) may backfire (Thacker & Wayne, 1995) intermediate level of effectiveness (Falbe & Yukl, 1992) inconclusive effectiveness (Erez et al., 1986; Schmidt & Kipnis, 1984).
Pressure	downwards (Kim & Yukl, 1989; D. Kipnis et al., 1980; Yukl & Falbe, 1990; Yukl et al., 1995; Yukl & Seifert, 2002)	upward and laterally (Kim & Yukl, 1989; D. Kipnis et al., 1980; Yukl & Falbe, 1990; Yukl et al., 1995; Yukl & Seifert, 2002).	among the least effective of tactics (Falbe & Yukl, 1992) ineffective upwards (Case et al., 1988; Schilit & Locke, 1982) highly effective when used to enhance subordinate performance (Erez et al., 1986; D. Kipnis et al., 1980)
Coalition	downward, laterally, upward (D. Kipnis et al., 1980; Yukl & Falbe, 1990)	downward (Schriesheim & Hinkin, 1990)	highly effective (Kanter, 1982; Pfeffer, 1981) effective laterally (Keys et al., 1987) among the least effective of tactics (Falbe & Yukl, 1992)

Appendix B: Research Samples that Supports the Use of Influence Tactics in Chinese Societies

Influence Tactic	Example of <i>Guanxi</i> Research Supporting a Particular Influence Tactic
Exchange	<i>Guanxi</i> is built upon rules of reciprocity (Peng, 2001) as “each can ask favour of the other with the expectation that the debt incurred will be repaid sometime in the future” (Yang, 1994).
Personal Appeal	The concept of <i>guanxi</i> not only comprises of personal ties or social bonds (Walder, 1986), it is also applicable to both personal and social ties (e.g., dyadic relationships; K. Hwang, 1987; Jacobs, 1979)
Ingratiation	Gift-giving is an integral part of <i>guanxi</i> building (Law et al., 2000) that often results in getting the target individual “in a good mood or to think favourably of him or her before making a request” (Falbe & Yukl, 1992, p. 641).
Pressure	<i>Guanxi</i> behaviours involve obligation, and indebtedness among network actors (Farh, Tsui, Xin, & Cheng, 1998).
Coalition	Interdependence is an important aspect of <i>guanxi</i> (Wong & Chan, 1999).

Appendix C

Examples of Scenarios for Conditions in Study 2

Condition	Scenario
Individual gift that was Accepted After the deal was completed	A 40-year-old Singaporean Client had business dealings with a Manager from another company and made a good commission through that transaction. After receiving the commission, the Client brings the Manager a gift voucher worth \$200 and tells the Manager that this is a heartfelt thank-you gift. The Client informs the Manager that this gesture is only done for those who made a difference. The Manager received the gift with thanks. Half a year has passed and the Manager is about to do another business deal with that same Client.
Shared gift that was Decline Before the deal was completed	A 40-year-old Singaporean Client had business dealings with a Manager from another company and made a good commission through that transaction. Before receiving the commission, the Client brings the Manager a food hamper worth \$200 and tells the Manager that this is a heartfelt thank-you gift. The Client informs the Manager that this gesture is only done for those who made a difference. The Manager declined the gift with thanks. Half a year has passed and the Manager is about to do another business deal with that same Client.