

The Future Directions of Chinese Business in the Philippines

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Abstract - *The purpose of this dissertation is to study the future direction of business among Filipino-Chinese businessmen in the Philippines. Descriptive method was used using 30 Filipino Chinese businessmen who had been actively managing their business enterprises for at least three years in 6 cities of the National Capital Region, namely, Makati, Manila, Quezon City, Paranaque, Pasig, and Mandaluyong. They were chosen in the study to provide substantial information regarding their experiences in managing business in the country. Results revealed that strong family relationships, meaningful friendships, and business partnerships are characteristics of business practices which nurtured the growth of Filipino-Chinese business in the Philippines. Ethics was regarded as a significant factor behind their success and profits and Chinese businessmen adopted performance-oriented measurements of success with a deliberate effort to improve management skills. They discovered the need for business enterprises to use new and valuable business practices and styles to cope with globalization apart from analyzing company customers, suppliers, competitors, employees, shareholders, and media as well as trust the government and its agencies for protection and exercise of rights. Towards the end, they tend to realize they posed positive outlook on the future of their businesses with their trust in the incumbent President and his economic advisers.*

Keywords: *Filipino Chinese businessmen, Future directions of Chinese business*

INTRODUCTION

Business sustainability has always been considered a challenge for every business enterprise most especially if the economic growth of a country is very uncertain or experiencing recession. The importance of business culture [1]-[3] is emphasized in the Chinese tradition that gave them a competitive edge in managing an enterprise. Even though the Philippines is considered a third world country, Filipino-Chinese business has grown successfully on ties that promote strong family relationships [4]-[6], meaningful friendships, and business partnerships [7], [8]. They see and do their business guided by their subtle sense of harmony with all others and a strong sense of order in society and family [9]-[12]. The general area of interest of this study is business practices which enabled Filipino-Chinese businessmen to grow their business ventures in the Philippines successfully.

Chinese Filipinos attribute their success in business to frugality [13]-[15], hard work [16],[17], Confucian values [18]-[20], and their traditional Chinese customs and traditions. They are very business-minded, and entrepreneurship is highly valued and encouraged among the young. Most Chinese Filipinos are urban dwellers [21]-[23]. An estimated 50% of the Chinese Filipinos live within Metro Manila, with the rest in the other major cities of the Philippines.

Every Chinese business, whether in mainland or overseas, uses Guanxi to establish enduring and mutually beneficial business relationships [24]-[27]. It can create cultural bonds and shared meaningful experiences for a person with extended family and relatives, significant connections, and even strangers. These entrepreneurs operate in simple organizational structures with tight family control and minimal outside financing [28]. There is a feeling of disappointment and of loss of their peculiar business practices when younger generations no longer find them significant and seek outside resources. They are distinctly diligent [29], [30], hardworking [31]-[32] and conscientious [33].

The relationship between the Philippines and China, which goes back over a thousand years, can be said to be productive for both sides [34]. China became the Philippines biggest trade partner in 2016, the second largest foreign tourism market with the fastest growth in 2018 and was the most significant driver behind the Philippine construction boom in the past two years.

Chinese Filipinos are one of the largest overseas Chinese communities in Southeast Asia. There are approximately 1.35 million Filipinos with Chinese ancestry, or around 1.3% of the population [35]. The ethnically Chinese Filipinos comprise 1.8% (1.5

million) of the population. This figure however does not include the Chinese mestizos who since Spanish times have formed a part of the middle class in Philippine society nor does it include Chinese immigrants from the People's Republic of China since 1949.

The Chinese Filipinos are estimated to control a good portion of 1000 largest corporations in the Philippines in various industries such as banking, food, transportation, manufacturing, and real estate, etc. [36]. In Banking, three of the top four banks are Chinese owned - Banco de Oro, Metrobank group, Philippine National Bank. (PNB officially merged with Allied Bank on Feb. 9 and is now in the integration process). Fastfood businesses are also Chinese owned such as McDonald's franchised by George Yang, the Jollibee group (Jollibee, Chowking, Greenwich Pizza,) and others. In Transportation, the Chinese Filipinos pioneered the shipping industry and owns major airlines including flagship carrier PAL, Cebu Pacific, and Zest Air. And many other industries are dominated by the Chinese Filipinos.

The Chinese in the Philippines have been very well assimilated [34] for today Filipinos of Chinese origin control many sectors of the economy. Starting with their capture of the distributive trade, the so-called Taipans are dominating the manufacturing, food, and financial sectors. If one were to look at the top 10 businessmen in the country, almost all of them are Chinese descendants.

The Chinese community in the Philippines flourished and were able to observe their traditions. They were able to preserve their own beliefs and customs while adopting the Filipino way of life [7]. The Tsinoys are known to be the most assimilated Chinese community in Southeast Asia. They are recognized for their large influence in the business sector. In fact, Chinese - Filipinos were named among the wealthiest people in Asia. Their prosperity, in turn, has helped boost the country's economy.

This study is a diligent and systematic inquiry into a subject to discover or revise facts, theories, and applications. The researcher hopes that it will contribute to a deeper understanding of Filipino-Chinese business and thereby improve the quality of business management in the country under ever changing conditions in the marketplace. The results and findings of this study may be valuable to various groups and people who would like to adapt the Chinese business principles, concepts and practices.

It can also be noted that as the economy has started to globalize and see drastic changes in its environment, the entrepreneurs see a need to cope with new and valuable business practices and styles. At the same time, they retain and take advantage of learning and values from their cultural roots.

Businessmen may find the results of the study as a valuable guide in analyzing macro and micro - environment factors before making decisions. Employees may benefit from the sound decision-making done by their employers who had gained a better insight into environmental factors affecting business performance. Stockholders may benefit from the better performance of companies in tackling the new challenges and opportunities business. Educators may see the findings of the study as a significant addition to the body of knowledge about macro environment and micro-environment factors affecting business. Researchers may use the results of the study as a guide for similar or related studies. It may also serve as additional information in the field of research on the impact of macro and micro-environment factors to business. The knowledge gap that will be filled in by this study is what entrepreneurs can do in their business practices to cope with the challenges and opportunities that are arising in the country's relationship with China.

OBJECTIVES OF THE STUDY

The purpose of this research is to study the evolution and future direction of business among Filipino-Chinese businessmen in the Philippines. The study aimed to present the profile of the respondents in terms of age, position in the company, business location, nature of business, number of years in business, and generation; determine the evolution of business practices which have enabled the Filipino-Chinese businessmen to grow their businesses successfully; describe the forces in the business environment today that are likely to impact Filipino-Chinese business; determine the challenges and opportunities that can be found in the business environment; test the significant difference on the evolution of business practices, forces that impact the business environment; challenges and opportunities in business environment when grouped according to demographic characteristics; test the relationship among the three major variables; and develop interrelationship framework with proposed strategies for Filipino-Chinese business owners to compete successfully in today's competitive business environment.

METHODS

Research Design

The descriptive method was used for this study. A descriptive study which asks what is and reports things the way they are to describe existing attitudes, behavior, or the other characteristics of a group of subjects. This method was the most appropriate in analyzing the perceptions of Filipino-Chinese businessmen on the evolution and future direction of their business in the Philippines. Descriptive studies report summary data such as measures of central tendency including the mean, median, mode, deviance from the mean, variation, percentage, and correlation between variables. Descriptive studies have an important role in business research. They have greatly increased our knowledge about happens to business establishments as a result of the changing conditions in their environment.

Participants of the Study

Participating in the study were 30 Filipino-Chinese businessmen who had been actively managing their business enterprises for at least three years in 6 cities of the National Capital Region, namely, Makati, Manila, Quezon City, Paranaque, Pasig, and Mandaluyong. They were chosen in the study to provide substantial information regarding their experiences in managing business in the country.

Sampling Technique

The researcher used the simple random sampling technique where every item in the population had an even chance and likelihood of being selected in the sample. The following steps were involved in selecting simple random sampling.

A list of all the members of the population was prepared initially and then each member was marked with a specific number (for example, there were n members then they would be numbered from 1 to N).

From this population, random samples were chosen using the method of the lottery. In this method, each member of the population had to number systematically and in a consequent manner by writing each number on a separate piece of paper. These pieces of paper were mixed and put into a box and then numbers were drawn out of the box in a random manner.

Research Instrument

The questionnaire was the instrument used by the researcher to gather the necessary data for the study. In

preparing it, he reviewed a number of related literature and studies found in books, periodicals, journals, and unpublished materials bearing a resemblance to the study. He also utilized the knowledge he gained from several years of experience as an academician and businessman.

The first part of the questionnaire gathered information on the socio-demographic characteristics of the participants in terms of age, position in the company, business location, nature of business, and number of years in business. The second part of the questionnaire determined their perceptions of the evolution and future direction of business among Filipino-Chinese businessmen in the Philippines. For validation purposes, the researcher had it reviewed and three academic research experts. To determine the reliability coefficient, he conducted a pilot test of the validated questionnaire by administering it to six Filipino-Chinese businessmen who did not participate in the survey. The computed Cronbach's alpha value is 0.863 which signifies that the questionnaire has a good internal consistency.

Data Gathering Procedure

The researcher tapped several sources of data for this study. He obtained reference materials from books, periodicals, and theses and dissertations that he found in university libraries. He also surfed the Internet to get additional materials which he used as reference in planning this study. To gather primary data, the researcher administered a survey questionnaire among owners and managers of small business establishments in Makati, Manila, Paranaque, Pasig, Mandaluyong and Quezon City. The researcher sought permission from the owners of the establishment if they can participate in as respondents of the study.

Statistical Treatment of Data

The researcher used the IBM SPSS Statistics to analyze the data that had been gathered in the survey. He used the following statistical tools: Frequency Count and Percentage were used to describe the socio-demographic profile of the survey participants, while Weighted Mean was used to describe the perceptions of the survey participants. Kruskal-Wallis Test was used to determine if there exists a significant difference between the participants' perceptions grouped according to their respective demographic characteristics. The given scale was used to interpret the result of the data gathered: 3.50 – 4.00 = Strongly

Agree (SA); 2.50 – 3.49 = Agree (A); 1.50 – 2.49 = Disagree (D); 1.00 – 1.49 = Strongly Disagree (SD).

Ethical Considerations

The researcher thoroughly adhered to ethical considerations as part of the dissertation protocol. Participation of respondents in the study was voluntary. Full consent was obtained from the participants prior to the study. The protection of the privacy of research participants was ensured. Adequate level of confidentiality of the research data was ensured. The researcher avoided any deception or exaggeration about the aims and objectives of the research. He took care of the research participants from any discomfort arising due to their involvement in the research process.

RESULTS AND DISCUSSION

Table 1. Distribution of the Respondents Demographic Characteristics

	Profile Variables	f	%
Age	26 - 45 years old	17	56.70
	46 - 55 years old	7	23.30
	56 years old & above	6	20.00
Position in the Company	Supervisor/Manager	4	13.30
	General Manager	3	10.00
	Owner	22	73.30
	Member of the Board	1	3.30
Business Location	Makati	5	16.70
	Manila	5	16.70
	Quezon City	5	16.70
	Paranaque	5	16.70
	Pasig	5	16.70
	Mandaluyong	5	16.70
Nature of Business	Marketing/Sales	10	33.30
	Manufacturing	7	23.30
	Financing	3	10.00
	Restaurants	2	6.70
	Education	1	3.30
	All	7	23.30
Number of Years in Business	1 – 10 years	2	6.70
	11 – 20 years	6	20.00
	21 – 30 years	10	33.30
	31 – 40 years	12	40.00
Generation	1st	17	56.70
	2nd	8	26.70
	3rd	5	16.70

The profile of the respondents is considered important part of the study in order to identify their characteristics that would somehow describe their responses in the survey. Table 1 presents the

distribution of respondents' demographic characteristics. More than half or 56.7 percent of the respondents are within the age bracket of 26-45 years old following by 46-55 year old (7 or 23.3%) and 56 years old and above (6 or 20%). Result signifies that the owners of these business enterprises are still in the early adulthood. These are the people being considered as innovative and creative in starting new ventures and products in the market.

There are 73.3 percent of the respondents are owners of the company while the least group belongs to supervisor/manager (4 or 13.3%), general manager (3 or 10%), and member of the board (1 or 3.3%). In terms of location, each city is represented by five (5) respondents. In terms of the nature of business, one-third or 33.3 percent of them have business related to marketing/sales followed by manufacturing (7 or 23.3%), financing (3 or 10%), restaurants (2 or 6.7%) and education (1 or 3.3%). There is a 40 percent of the respondents with 31-40 years in business followed by 21-30 years (33.3%) and 11 -20 years (6 or 20%) and the least group belongs to 1 – 10 years in business (2 or 6.7%). More than half of them of 56.7 percent are first generation owner of the business who really established and started the enterprise.

This section presents the respondents' perceptions of the evolution of business practices which have enabled the Filipino-Chinese businessmen to grow their businesses successfully. Perception is defined as a way of regarding, understanding, or interpreting something. It is the act or faculty of perceiving or apprehending by means of the senses or of the mind. In this study, the researcher determines how respondents perceived or apprehended things they saw or observed in their place of work

Chinese business has evolved from a traditional culture toward a more Westernized consumer society during the country's three-decade experimentation with the free market [37]. For instance, one can see in the recent actions of the present Chinese leaders to decrease involvement in the business markets and let local market forces shape economic development, which means moving to a more capitalistic and free market structure.

Table 2 presents the respondents' perceptions of the evolution of business practices of their employers. The compositemean of 3.03 indicates that the respondents agreed in general to the practices they observed to have been applied by their employers.

Table 2. Evolution of Business Practices for Filipino-Chinese Businessmen to Grow Their Businesses Successfully

Indicators	WM	VI
1. Our business owes much of its success to Confucian values.	2.73	A
2. Ethics is an important part of our business decisions.	3.77	SA
3. Our business leader is an elder in his/her family.	3.27	A
4. The founder of our company learned the trade before assuming the highest position in the company.	2.97	A
5. We are open to have a joint venture with expatriate Chinese investors.	2.00	D
6. The company has adopted more performance-oriented measurements of success.	3.43	A
7. Strong family relationships and meaningful friendships have contributed to the growth of our business.	3.47	A
8. The entire family (or most of its members) run the business.	2.70	A
9. The younger family members are brought up more in Confucian principles.	2.37	D
10. Our business started small compared to what it is today.	3.57	SA
Composite Mean	3.03	A

Based from the results of the survey, the respondents strongly agreed that Ethics is an important part of their business decisions (3.77) which obtained the highest weighted mean followed by the fact that they started small business compared to what it is today. Trifu [38] noted that the lack of ethics in business environment can have disastrous consequences on the medium and long term, such as: the loss of the trust and monetary capitals, the mistrust of the employees in their manager (s), the changes in the organizational culture. This only shows that ethics is really important in a business organization. As Jamnik [39] claims that “managers in organizations face ethical issues every day of their working lives. There is seldom a decision they face that does not have an ethical dimension or facet to it.” Ethics is the moral principle which individuals inject into their decision processes [59]. It commonly means rules or principles that define the rights and wrongs of conduct. According to Sroka and Lórinčy [40], their research confirms that business ethics is regarded as a significant factor which

has an influence both on the success and profits of modern companies, and its role is set to increase in the future.

Other statements received means that have a verbal interpretation of “agree”. These include “Strong family relationships and meaningful friendships have contributed to the growth of our business,” “Our business leader is an elder in his/her family,” and “The company has adopted more performance-oriented measurements of success.”

The first statement ties in with the idea of Ahlstrom et al. [41] that the family is not just a functional social unit; it is also business itself. Filipino-Chinese parents bring up their kids and steep them in values of frugality, delayed gratification, sense of harmony, and respect for parents and elders. Filipino-Chinese business in the Philippines has grown successfully on ties that promote strong family relationships, meaningful friendships, and business partnerships [7].

One can also observe that today, firms are using business performance measurement systems. Champion [42] says that business performance measures allow the management of a business to track and assess the current status of a specific business, project, or process. Business performance measures may be compared with pre-set goals and objectives or form part of a balanced scorecard that assesses financial or non-financial performance in the four primary areas of financial, learning/growth, internal processes, and the customer

Nevertheless, statements like “The younger family members are brought up more in Confucian principles” (2.37) and “We are open to have a joint venture with expatriate Chinese investors” (2.00) got the lowest weighted means of 2.37 and 2.00, which are verbally interpreted as “disagree”. This can be explained by the fact that as the Chinese economy has soared, changes have naturally occurred in the way business is conditioned [43]. The close connection between family and business continues to weaken as businesses adopt more performance-oriented measurements of success. Corporate leadership, while still receiving deference, is less hierarchical and more democratic with a deliberate effort to improvement management skills. The once fuzzy company structures are giving way to more defined organizational charts.

Based on the findings of the study, it can be inferred that as perceived by the respondents, Filipino-Chinese business grew and prospered mainly due to strong family relationships, meaningful friendships, and business partnerships.

Table 3. Forces That Impact the Business Environment

Forces	WM	VI
1. New and valuable business practices and styles are needed to cope with globalization.	3.83	SA
2. We review our business strategies and objectives frequently.	3.30	A
3. At least one of our executives is active in a trade or civic organization.	3.10	A
4. We maintain effective social ties with suppliers, buyers, and competitors.	3.57	SA
5. We maintain effective social ties with government officials at various agencies.	3.13	A
6. Good guanxi can be the key needed to opening doors otherwise closed.	3.47	A
7. It's necessary to analyze political, economic, social, technological, and legal factors.	3.37	A
8. It is necessary to analyze company customers, suppliers, competitors, employees, shareholders, and media.	3.70	SA
9. We monitor the increasing Chinese influence on local business.	2.50	A
10. The present administration is protecting the interest of Filipino-Chinese business.	2.33	D
Composite Mean	3.23	A

Table 3 presents the respondents' perceptions of the forces that impacted the business environment of the companies employing them. The composite mean score of 3.23 indicates that the respondents agreed in general to the ways by which companies reacted to environmental factors that affected business performance. As seen on the table, the statement "New and valuable business practices and styles are needed to cope with globalization" got the highest weighted mean of 3.83 with a verbal interpretation of "strongly agree". Haddad [44] says globalization has been the blessing in disguise by merging differences and creating more opportunities in the world of business. However, the growth can be both exciting and dangerous depending on the way the risks are confronted. To overcome the challenges, companies need to do certain things like hiring managers with a strong awareness of and insight into both local and international processes of their respective industries, who can effectively turn these potential opportunities into profitable ventures within the global economy.

In the process of globalization, ancient differences in national tastes or modes of doing business disappear. The commonality of preference leads inescapably to the

standardization of products, manufacturing, and the institutions of trade and commerce. Small nation-based markets transmute and expand. Success in world competition turns on efficiency in production, distribution, marketing, and management, and inevitably becomes focused on price.

The statements that followed with weighted means that are also interpreted as "strongly agree" were "It's necessary to analyze company customers, suppliers, competitors, employees, shareholders, and media" (3.70), and "We maintain effective social ties with suppliers, buyers, and competitors" (3.57).

Statements like "Good guanxi can be the key needed to opening doors otherwise closed" (3.47) and "It's necessary to analyze political, economic, social, technological, and legal factors" (3.37) were also positively assessed, receiving weighted means with a verbal interpretation of "agree". Good guanxi can be created in many ways and should appear to be offered voluntarily. It can minimize natural or man-made obstacles in doing business. Over time, it may take some effort to maintain and nurture the necessary amount of guanxi to do business at different level.

Next is, the present administration is protecting the interest of Filipino-Chinese business obtained the lowest mean value of 2.33 and negatively rated. This shows that the respondents do not believe in the vested interest of Filipino-Chinese being given more protection and rights. The Philippine-China relationship appears to be unstable mainly due to the maritime disputes. Nevertheless, the incumbent President and his cabinet have a good and reputable group of economic advisers behind them and without a doubt the Philippines economy will be able to solve present problems and continue to prosper. Its trade relations with China remain to be of great importance, and despite all the issues mentioned above, business will continue to improve for the benefit of both countries.

Based on the findings, it can be inferred that Filipino-Chinese businessmen have adopted business practices and styles that enabled them to cope with new situations brought about by globalization.

Table 4 presents the respondents' perceptions of the challenges and opportunities they found in the business environment. The composite mean score of 3.34 indicates that they agreed in general to the statements related to how their employers are operating in new and sometimes unfamiliar market environments brought about by globalization and technology.

Table 4. Challenges and Opportunities in Business Environment

Challenges and Opportunities	WM	VI
1. More helpful market research is needed.	3.27	A
2. It's necessary to segment our market for our business to grow.	3.50	SA
3. Our company has a solid marketing plan.	3.17	A
4. We plan to diversify our product (and/or service) offerings.	3.63	SA
5. We are open to partner with others or get help for expansion.	2.97	A
6. We use new technology to stay competitive.	3.47	A
7. We network on social media to build company/brand recognition.	3.40	A
Composite Mean	3.34	A

Two statements “We plan to diversify our product (and/or service) offerings” and “It's necessary to segment our market for our business to grow” got the first two highest weighted means of 3.63 and 3.50, respectively, which have a verbal interpretation of “strongly agree”.

Diversification is a corporate strategy of expanding business opportunities by entering into additional markets and/or pricing strategies. Often the product is improved, altered or changed, or new marketing activities are developed. For small and medium-sized business enterprises, product diversification is a holistic competitive strategy that requires the enterprises to analyze their business environment, competencies, capabilities, and consumer base prior to the decision-making process [45].

Successful leaders know that if they want their business to grow and prosper in the long term and they cannot stick with the same old method. If a business owner does decide to use a product diversification strategy, the same market and resource influences may dictate the type of diversification strategy they choose. An overambitious growth strategy and an unclear strategy for product and market are two reasons behind business failure [46]. Luqman et al. [47] have noted a deficit of research regarding product diversification and the inconclusiveness in the findings of current research; however, they recommended that diversification strategies should expand or stray far from the business' core mission.

Focusing on the core mission and niche market is essential to maintaining a source of competitive

advantage [47]. Benito-Osorio et al. [48] found that businesses should strategically operate within optimal diversification limits; not diversifying excessively or extremely limiting. A common recommendation amongst researchers is for businesses to avoid straying far from their core business when using a product diversification strategy.

Other statements were also assessed positively as shown by the weighted means they obtained, which have a verbal interpretation of “agree”. They believed that more helpful market research is needed for the business (3.27). It is also better if the company has a solid marketing plan (3.17). Meanwhile if businesses will be more open to partner with others or get help for expansion (2.97) obtained the lowest rating. Based on the findings, it can be inferred that Filipino-Chinese businessmen knew what it would take to handle the positive and negative factors in the business environment today.

Table 5. Difference of Responses on the Evolution of Business Practices When Grouped According to Demographic Characteristics

Demographic Characteristics	λ^2_c	p-value
Age	0.181	0.914
Position in the Company	2.902	0.407
Business Location	7.363	0.195
Nature of Business	5.302	0.380
Number of Years in Business	2.653	0.448
Generation	1.906	0.386

*Legend: *Significant at p-value < 0.05*

Table 5 displays the comparison of responses on the evolution of business practices when grouped according to demographic characteristics. It was observed that all computed p-values were all greater than 0.05 alpha level, thus the null hypothesis is rejected. This means that no significant difference exists and implies that the responses do not vary significantly.

Based on the result, it can be inferred that regardless of age, position in the company, location of the business enterprise, nature of the business, number of years in business, and generation, the respondents have similar perceptions of the evolution of business practices which have enabled the Filipino-Chinese businessmen to grow their businesses successfully.

This is a strong manifestation how Chinese businessmen strongly agreed on the importance of Ethics as part of the business decisions which is a by-product on their strong adherence to the Confucian

paradigm of intrapersonal relationships when doing business with each other [49]. Although not a religion, Confucian influence which pervades Chinese culture and business promotes standards that are similar to those espoused by the world's great religions. Ethics for them hails important part of business decisions [50], [51]. It gives certain beliefs that based on standards and practices, it will guide the organization in maintaining harmonious relationships across all levels of management. The Chinese business ethics is largely influenced by Confucianism, and Taoism philosophy [52]. Xiang [53] noted that to be educated in such business ethics is to be taught how to articulate, defend, and implement the ideology. The ideology's content is drawn from a previous practice, the conversation of modern liberal and social democratic intellectuals. The moral rule in Chinese Business ethics was loyalty to the sovereign, righteousness and sincerity [37]. The last virtue that is closely related to the Chinese business ethics is the sincerity—'xin', which simply means human should live up to their promise [54].

Table 6. Forces that Impact the Business Environment Difference of Responses When Grouped According to Demographic Characteristics

Demographic Characteristics	λ^2_c	p-value
Age	6.504*	0.039
Position in the Company	4.756	0.191
Business Location	3.337	0.648
Nature of Business	3.158	0.676
Number of Years in Business	0.789	0.852
Generation	5.184	0.075

*Legend: *Significant at p-value < 0.05*

Table 6 presents the comparison of responses on the forces that impact the business environment when grouped according to demographic characteristics. It was observed that with the exception of one item, i.e., age, the computed p-values were greater than 0.05 alpha level, thus the null hypothesis is rejected. This means that there no significant difference exists and implies that the responses do not vary significantly.

Respondents age is significant to forces that impact the business environment which is very valid for their age signifies that the owners of these business enterprises are still in the early adulthood (26-45 years old). They are the people being considered as innovative and creative in starting new ventures and products in the market parallel to their strong agreement on how they need to cope on the merging

differences and creating more opportunities in the world of business.

However, it can be inferred that regardless of position in the company, location of the business enterprise, nature of the business, number of years in operation, and generation, the respondents have similar perceptions of the forces that impact the business environment.

The excitement and challenges by the global market is not measured by the kind of business in the Philippines they are operating for they are sure they can effectively turn these potential opportunities into profitable ventures within the global economy.

For the respondents, the also value customers, suppliers, and competitors. They believed that customers are the central part of any business as they tend to attract and retain most of the customers to generate revenue [55]. Therefore, organizations must adopt a marketing strategy that attracts the potential customers and retains the existing customers by taking into consideration the wants and needs of customers and by providing the after sales services and value-added services.

The competitors of an organization can have a direct impact on business strategies [55]. The organization must know how to do a competitive analysis of competitors and have a competitive advantage. An organization must understand, what value added services their competitor is providing or the unique selling point of their competitors. How they can differentiate from their competitors. What benefits a company can offer to the customers which competitors does not offer.

Table 7. Difference of Responses on the Challenges and Opportunities in the Business Environment When Grouped According to Demographic Characteristics

Demographic Characteristics	λ^2_c	p-value
Age	6.504*	0.039
Position in the Company	4.756	0.191
Business Location	3.337	0.648
Nature of Business	3.158	0.676
Number of Years in Business	0.789	0.852
Generation	5.184	0.075

*Legend: *Significant at p-value < 0.05*

Table 7 shows the comparison of responses on the challenges and opportunities in the business environment when grouped according to demographic characteristics. It was observed that there was a significant difference when grouped according to age since the obtained p-values was less than 0.05. A

Kruskal – Wallis H test showed that there was a statistically significant difference on the challenges and opportunities on the age of the respondents, $\lambda^2 (2) = 6.504$, $p = 0.039$, with a mean rank of 13.09 for 26 to 45 years old, 22.79 for 46 to 55 years old and 13.83 for 56 years old and above.

It was noted that respondents' perceptions of the challenges and opportunities, found in the business environment is related to how their employers are operating in new and sometimes unfamiliar market environments brought about by globalization and technology. As they diversified market segments, their varying age differed significantly. Upon further scrutiny of result, it was found out from the post hoc test (pairwise comparison) that age group of 46 to 55 years old experienced greater challenges and opportunities.

However, no significant difference exists in the respondents' perceptions when it comes to position in the company, location of the business enterprise, nature of the business, number of years in business, and generation. While there are products for improved, altered or changed, or new marketing activities, they are not affected by the nature of the business among respondents.

Table 8 presents the association between evolution of business practices, forces that impact the business and the challenges and opportunities in business environment. It was observed that the computed rho-values indicate a moderate positive correlation, and the resulted p-values were less than 0,01 and 0.05 alpha levels.

Table 8. Relationship Between Evolution of Business Practices, Forces that Impact the Business Environment and Challenges and Opportunities in Business Environment

		Evolution	Forces	challenges
Evolution	Rho	1.000	0.458*	0.388*
Forces	Rho	0.458*	1.000	0.537**
Challenges	Rho	0.388*	0.537**	1.000

*Legend: Significant at p-value < **0.01; *0.05*

Based on the result, the better the evolution of business practices, the greater the impact and more challenges encountered in the business, vis-à-vis. Andriess et al., [56] noted in their study that local ethnic Chinese firms are unable to practice guanxi in Thailand because they have to deal with non-ethnic Chinese suppliers and clients.

While workplace has changed dramatically, managers are expected to handle processes, people,

information and other duties as necessary. for successfully handling those responsibilities. This study is truly guided by the theory of adapting to changing business environments. It is important for organizations to understand not only the marketing environment in which an organization competes but also how the micro and macro-economic forces impact the organization. In an ever-changing hyper-competitive business world full of challenges, there are numerous macro-economic forces spanning from the increasingly competitive global marketplace to technological innovations that have significantly accelerated since the advent of the world-wide-web [57]. All of these factors influence not only business enterprises but also customers, suppliers and competitors.

A rapidly changing business environment means, business strategies and objectives need to be reviewed frequently to factor in the actual and anticipated external influences and determine how these will affect both the business and marketing objectives of every organization [58].

Proposed Framework for Filipino Chinese Business

The given interrelationship framework illustrates the connection between each variable that business environment is affected by internal and external forces based on the business practices of the organization in terms of the leadership capabilities supported by various effective strategies in managing and achieving the organizational performance.

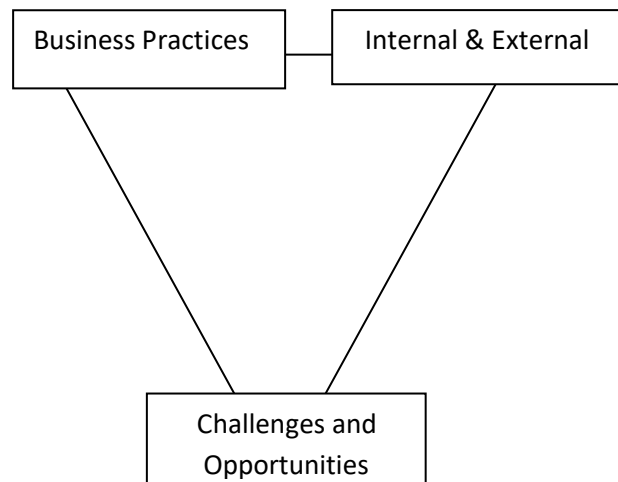


Figure 1. Interrelationship Framework of Business Practices, Forces in the Business Environment with Challenges and Opportunities

The proposed strategies for business owners are provided here in support of the framework to compete successfully in today's competitive business environment.

1. Business Research

All business research is done to learn information that could make the company more successful. For instance, customer research may involve finding out both a customer's feelings about and experiences using a product or service. The methods used to gauge customer satisfaction may be questionnaires, interviews or seminars.

Researching public data can provide businesses with statistics on financial and educational information as regards customer demographics and product usage, such as the hours of television viewed per week by people in a certain geographic area.

Research used for advertising purposes is common because marketing dollars must be carefully spent to increase sales and brand recognition from ads.

2. Business Networking

Networking is a socioeconomic business activity by which businesspeople and entrepreneurs meet to form business relationships and to recognize, create, or act upon business opportunities, share information and seek potential partners for ventures. Business networking can help a businessman grow his business.

An effective approach is treating online/social media networking with the same importance as traditional face-to-face networking. One can broaden his options by joining more than one network or group, either online, via social media, or through industry and business associations.

Another is starting an email newsletter for one's business so he can keep his customers, suppliers and other contacts up to date with his activities and invite them to his own events.

3. Continuing Education

Business people need to acquire the knowledge they need to excel whether they are representing a new venture or a large corporation. The business world encompasses a wide variety of exciting roles; all are essential to the management, growth, and development of a successful organization.

For those who are new to the industry, core competencies in accounting, economics, marketing, finance, and business analytics will be instrumental in building their individual careers. If one is looking to

move up in his role, the ability to assess risk, improve performance, and operate in a global market is essential.

Project management is a practical course to take in a changing business environment. A project is unique in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. So, a project team often includes people who don't usually work together – sometimes from different organizations and across multiple geographies.

4. Environmental analysis

Business owners and managers should use environmental analysis as a strategic tool. It is a process to identify all the external and internal elements, which can affect the organization's performance. The analysis entails assessing the level of threat or opportunity the factors might present. These evaluations are later translated into the decision-making process.

The various factors to study in an environmental analysis are:

- 4.1 Political factors: government policies, taxes laws and tariff, stability of government, and entry mode regulations
- 4.2 Economic factors: the inflation rate, the interest rate, disposable income of buyers, credit accessibility, unemployment rates, the monetary or fiscal policies, and the foreign exchange rate
- 4.3 Social factors: the cultural implications, the gender and connected demographics, the social lifestyles, the domestic structures, educational levels, and distribution of wealth
- 4.4 Technological factors: new discoveries, rate of technological obsolescence, rate of technological advances, and innovative technological platforms
- 4.5 Legal factors: product regulations, employment regulations, competitive regulations, patent infringements, and health and safety regulations
- 4.6 Environmental factors: geographical location, the climate and weather, waste disposal laws, energy consumption regulation, and people's attitude towards the environment

CONCLUSIONS AND RECOMMENDATIONS

Strong family relationships, meaningful friendships, and business partnerships that characterized business practices nurtured the growth of Filipino-Chinese business in the Philippines. Ethics was regarded as a significant factor behind their

success and profits. They adopted performance-oriented measurements of success with a deliberate effort to improve management skills. There is a need for business enterprises to use new and valuable business practices and styles to cope with globalization. It is necessary for them to analyze company customers, suppliers, competitors, employees, shareholders, and media as well as trust the government and its agencies for protection and exercise of rights. They have a positive outlook on the future of their businesses with their trust in the incumbent President and his economic advisers. Filipino-Chinese business enterprises in this study plan to diversify their product and/or service offerings using one or a combination of these methods: enter into additional markets, use pricing strategies, improve, alter, or change products, and new marketing activities. The 46 to 55 years old age bracket had experienced greater challenges and opportunities compared to other age groups. There is a possibility that those respondents with higher response on the evolution of business practices, and forces that Impact the Business Environment have also encountered higher challenges and opportunities in business environment. The interrelationship framework of Business Practices, Forces in the Business Environment with Challenges and Opportunities is hereby proposed with strategies for business owners to compete successfully in today's competitive business environment.

It is recommended that Filipino-Chinese businessmen may adopt more performance-oriented measurements of success but continue to foster the observance of ethics and the promotion of strong family relationships, meaningful friendships, and business partnerships. Business owners may use new and valuable practices and styles to cope with globalization, such as analyzing company customers, suppliers, competitors, employees, shareholders, and media as well as trust the government and its agencies for protect their business. They should make sound plans to diversify their product and/or service offerings and undertake new marketing activities especially with the new market environment brought about by the COVID-19 pandemic. They may adopt effective strategies, such as conducting research studies, maintaining effective social ties, and keeping abreast of political, economic, social, technological developments. This study was limited only to selected business owners in the identified cities in NCR and additional respondents from other cities may be considered to further test the validity of the result of

this study. Future researchers may further investigate other variables such as the business continuity plan and recovery plan of the business establishments as well as the human resource programs of the organization during pandemic.

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