

## Selected Filipino-Chinese small-medium entrepreneur communication management practices in the Philippines

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**Abstract** Chinese entrepreneurial activities diaspora in Southeast Asia have received ample attention in academic debates. This academic attention is related to an impressive business presence of ethnic Chinese companies in the region, which seek explanations. Several works of literature have emerged arguing that because of specific cultural traits (personal networks, ethnic affinity, and Confucian Work Ethics), ethnic Chinese businesses function successfully in their new home countries and business contacts across borders. This study aims to describe the communication management practices of Filipino-Chinese Small Medium Enterprises (SME) entrepreneurs in terms of planning, leadership, organising and control. The method used in this study is phenomenology with data collection using interviews with six respondents and three Philippine government officials. The conclusion of this study shows that in terms of risk behaviour, the Filipino-Chinese entrepreneurs had a positive outlook by believing that taking risks is one key factor in business success.

**Keywords:** SMEs entrepreneurs; Filipino-Chinese; communication management practices

### INTRODUCTION

For Filipinos, the idea of diaspora is nothing new; migration, one of the interwoven components of the global workforce, has always been associated with them (Aguilar, 2015; Labor, 2020; Lu, 2013; Misajon & Khoo, 2008). From the first offshore Filipino farmworkers in Hawaii in the middle of the 1900s to the skilled workers and domestic assistants currently relocated in Middle Eastern nations and other Asian nations, the terms 'diaspora' and 'migration' have been popular household terms (Pacoma, 2020).

This paper explored the role and meaning of Filipino-Chinese among different generations of Filipino-Chinese entrepreneurs concerning their business conduct. The researcher shall do so by

elaborating on the discursive practices of 'being Chinese' to address the ideological, institutional, and political dimensions involved in this question, dimensions that are often neglected while studying ethnic Chinese business practices as such. The discursive approach tries to incorporate the position that ethnicity is not "primordial, essential, and unchanging" but also situational. That ethnicity as a collective identity can be "an important and early dimension of self-identification". The active role of the Filipino nation in manipulating ethnic identity might have instigated the latter, both among the Filipino-Chinese and the Chinese.

Like other countries in East Asia and ethnically-based minorities, the Filipino-Chinese business groups have provided most of the entrepreneurial zeal in the country over the last half-century (Khan et al., 2017; Susilo & Sugihartati, 2020). However, this research determined that identity rather than ethnicity is more relevant amongst Filipino-Chinese business groups.

The rise of China is awe-inspiring and could be advantageous to the economic growth of the Philippines. As part of the Chinese supply chain, some Filipino business groups are expanding into this billion-strong market in anticipation of the opportunities the world's second-largest economy provides (Camba & Lung, 2021). China's corporate governance system is also discussed and contrasted with the Philippines. Ultimately, China's rise must be placed in the context of its wider geopolitical role in the region.

Historically, foreign contact began in the tenth century through the Chinese traders who introduced their customs to the indigenous tribes (Junker, 1999). The ethnic Chinese in the Philippines have played an important role in developing the economy since colonial times (Camba & Lung, 2021; Gonzales, 2021). Long before the Spanish conquest of the country, Chinese merchants carried on trading activities with native communities along the China coast. During most of the Spanish colonial era, the Chinese controlled trading and commercial activities, serving as retailers, artisans, and food providers for various Spanish settlements in the country (Wickberg, 1964).

The term 'Asian entrepreneur' has not been around for long, but trading is nothing new. The Chinese and Malay traders had made their presence known throughout Philippine history even before the Spanish came. Their trading continued even in the presence of the Spanish conquistadores. The Spanish officials' aristocratic lifestyle completely depended on the Galleon Trade for hundreds of years. This Galleon Trade brought Chinese silk and porcelains to Europe via Mexico, European luxury goods, and Mexican silver via Manila (Soriano, 2016).

As historical evidence in 1850, the Chinese in the Philippines could look back upon a history of several centuries in the archipelago. Chinese had traded amicably along the Philippine coasts for several centuries before the Europeans arrived there, but it is unclear when the Chinese began to reside in the Philippines (Yeo & Gloria, 2022). It is known that

the arrival of the Spanish in the late sixteenth century provided attractive economic opportunities, which stimulated Chinese immigration to the Philippines in a much greater volume than ever before. By the beginning of the seventeenth century, there were over 20,000 Chinese in the Manila area—many times that of the Spanish settlers (Wickberg, 1964). The Chinese quickly moved into an important economic position. Chinese merchants carried on a rich trade between Manila and the China coast and distributed the imports from China into the area of Central Luzon, to the immediate north and east of Manila. Chinese also acted as provisions of Manila and other Spanish settlements, buying food in the rural areas and bringing it to the colonial settlements. Some Chinese were engaged in various forms of retail trade; others worked as artisans, producing goods for the use of Spanish in Manila and other settlements. Indeed, these various activities were dominated and almost monopolised by the Chinese. The Spanish had not come to the Philippines to engage in the trade and artisanry carried on by the Chinese. The native Filipinos seemed untrained and unsuited for such occupations. The result was that the Spanish came to depend upon the Chinese in economic matters and to believe that the Chinese were economically indispensable (Wickberg, 1964).

Most Spanish in the Philippines were concentrated in Manila or a few towns in the central, north-western, and south-eastern parts of Luzon and on the islands of Cebu and Panay in the Visayas. In terms of economic activity, most Spanish were preoccupied with maritime trading between Manila and Mexico. The exploitation of the natural resources of the Philippines and the development of an export crop economy were phenomena of the nineteenth century, not of the early period of Spanish rule. Since the Spanish and the Filipinos were not engaged in exploiting the natural resources of the islands and since the Chinese were not allowed to establish corporations of their own to do so, the Chinese, by choice, stayed near existing Spanish settlements. Thus, only those Filipinos who lived near Spanish settlements were brought into contact with Chinese economic enterprise. Moreover, even in those areas, with one or two exceptions, the Chinese did not take over existing economic functions carried out by Filipinos; instead, they created new ones (Wickberg, 1964).

By 1800, a new native group, many of whose members were of partial Chinese descent, was beginning to replace the Chinese in some occupations and challenge their monopoly in others. Natives now assumed the job of provisioning Manila. In Manila's retail trade and artisanry, natives began to challenge the Chinese monopoly. The development of commercial agriculture in the Philippines, especially after 1820, provided new opportunities for wholesalers to buy up agricultural produce in the rural areas and send it to Manila for shipment to overseas markets. This occupation was dominated, with great profit, by the Chinese mestizos, a Filipinised group whose closest associations were with Filipinos and Spaniards, not with Chinese. The Chinese

mestizos were also moneylenders in rice-growing areas, and their enterprising nature and wealth led to predictions that they would succeed the Chinese as economic masters of the Philippines.

All of this changed after 1850. Primarily because it attempted to promote the economic development of the Philippines, the Spanish government reversed its previous immigration policies, and Chinese immigration, in almost unrestricted volume, was permitted (Camba & Lung, 2021; Tan, 2021; Yeo & Gloria, 2022). Moreover, the Chinese were allowed to settle almost anywhere in the archipelago. This liberalization of policy was well-timed. By 1850 the Philippines was well on the way to developing an export crop economy, a process that occurred between 1820 and 1870. Now such products as sugar, Manila hemp, and coffee are produced for markets abroad, while the European factory industry imported products into most parts of the Philippines. The new export-crop economy's stimulus to many economic activities in the Philippines provided many opportunities for the expanding Chinese population (Koning, 2011).

Between 1850 and the mid-1880s, the Chinese grew from 8,000 to 100,000 or more—in a total population of roughly six million. The wider geographical distribution of the Chinese was also characteristic of this period. In 1850, 92 per cent of the Chinese were in the Manila area; forty years later, only 60 per cent were located, and the rest were scattered over all the provinces of the Philippines. In particular, the Chinese moved into those provinces that produced export crops—the hemp-producing areas of south-eastern Luzon and the eastern Visayas, the sugar areas of the western Visayas, and the tobacco provinces of north-eastern Luzon. In some instances, this resulted in the penetration of Chinese enterprise into provinces where the Chinese had never been before (Wickberg, 1964). In conclusion, as viewed from the twentieth-century perspective, the half-century from 1850 to 1898 was an era of great importance in the history of the Philippine Chinese.

The Chinese in the Philippines make up only 20 per cent of the country's total population, but they are a force to be reckoned with (Soriano, 2016). Most Chinese in the Philippines are business owners whose lives centre around the family business, usually small and medium enterprises. These family businesses play a significant role in the Philippine economy. A handful of these entrepreneurs run large companies and are respected as some of the most prominent business tycoons in the country (Soriano, 2016).

As the oldest and largest immigrant minority in the Philippines, the Chinese population was estimated at 600,000 in 1975, or about 1 per cent of the country's population (McCarthy, 1975). Today, the ethnic Chinese in the Philippines comprise about 20 per cent of the country's population (Soriano, 2016). In 1975, Marcos issued a new citizenship law that drastically liberalised the naturalisation process, enabling thousands of ethnic Chinese residents to become full-fledged citizens.

The ethnic Chinese who went into import substitution manufacturing during the 1950s and 1960s were primarily traders and merchants. In 1954, the government passed the Retail Trade Nationalization Act, pushing Chinese traders and retailers into manufacturing. By restricting retail trade to Filipino citizens, the new policy led many Chinese entrepreneurs who could not get Filipino citizenship under the existing tedious and expensive naturalization laws to shift from retail to manufacturing and wholesale trading (Palanca, 1995).

The study by Palanca indicates that Filipino-Chinese owned 35 per cent of the top 1,000 corporations in 1990. (Palanca, 1995) further demonstrated that the share of Chinese-Filipino-owned firms in the top 1,000 corporations based on sales, income, assets, liabilities, and equities was smaller compared to the Filipino non-Chinese and foreign firms. One possible explanation provided by Palanca for the relatively smaller size of the Chinese business groups lies in the Chinese preference for setting up conglomerates of businesses rather than expanding one business.

The study of (Berou Jr, 2012) *Employment or entrepreneurship: a theoretical analysis on the decision-making process and economic outcomes* revealed that 20 per cent of the ownership of the top 20 corporations in the Philippines were owned by Filipino of Chinese descent. According to him, "*Philippines market is equally shared between Filipinos with or without foreign descent and the foreign investors: thus, entrepreneurship can be perceived to be distant from the priorities and inclinations of Filipino people.*" The Philippines' billionaires' club (2013) cited the ten richest men in the Philippines as cited by (Berou Jr, 2012) in this table:

**Table 1.** Ten Richest Men in the Philippines (2012)

Rank	Name	Company
1st	Henry Sy and family	SM Group
2nd	Lucio Tan & family	LT Group
3rd	Enrique Razon Jr.	International Container Terminal Services Inc
4th	Andrew Tan	Alliance Global Inc.
5th	David Consunji & family	DMCI
6th	George Ty & family	GT Capital
7th	Lucio and Susan Co	Puregold
8th	Robert Coyiuto, Jr.	National Grid Corporation
9th	Tony Tan Caktiong & family.	Jollibee Foods Corp
10th	Andrew Gotianun & family	Filinvest

Source: Berou Jr, 2012

The personalities highlighted in the table above are Filipinos who resided in the Philippines for quite a long period. They may have claimed Filipino citizenship; however, these personalities' family names are not Filipino ancestry and ethnicity. The life story of Henry Sy, Sr., the richest man in the Philippines, as told by (Solee, 2009a), is a typical example of a

Chinese who, at the age of 12, migrated to the Philippines. The story of the second richest man in the Philippines, Lucio Tan, shows how the Chinese have thrived in the Philippines by putting up businesses. He was born in China's Fujian province in 1934, and his family migrated to the Philippines during childhood (Solee, 2009b) cited by (Berou Jr, 2012). Andrew Tan was also born in the Fujian province of South China and grew up in downtown Manila (Flores, n.d.). George Ty came from China and migrated to the Philippines at six (Yu, n.d.). The family names of most of the richest men in the Philippines have Chinese origin (Berou Jr, 2012).

This paper departs from the position that the ongoing debate among the 'culturalists' and 'criticisms' on the role of ethnicity in ethnic Chinese business conduct lacks three important dimensions that could be crucial in resolving some of the impasses in this debate (Hew & Studies, 2018; Susilo & Sugihartati, 2020; Weiss, 2019). Firstly, and most importantly, the voice of those concerned. What do the ethnic Chinese businesspeople have to say about their intra-ethnic or interethnic ties? How do they narrate their business conduct and the role and meaning (if any) of being Chinese therein? Secondly, empirical data on general Filipino-Chinese business practices and small and medium-sized enterprises are hard to find. The extensive literature on ethnic Chinese business conduct in Southeast Asia is rather quiet on the situation of ethnic Chinese entrepreneurs in the Philippines. Little is known about how ethnicity does or does not play a key role in Filipino-Chinese small and medium-sized enterprises. What can the Filipino-Chinese case reveal about the ongoing debate in which they have been invisible? Moreover thirdly, what about generational differences among ethnic Filipino-Chinese entrepreneurs residing in the Philippines? Do younger and older generation entrepreneurs employ similar business strategies and similar networks? Is there a change in perceiving ethnic ties? If so, what does this imply for our knowledge of Chinese business identities?

## **METHODOLOGY**

This study is primarily qualitative, utilising a phenomenological approach (Parastiwi & Rini Darmastuti, 2020), using in-depth interviews of six respondents and three government officials. Morse approves the sample size of six respondents and also fits (Creswell & Poth, 2017) preferred number of respondents in a qualitative study which is 5 – 25 respondents for a phenomenological study. The fundamental goal of this approach is to describe the nature of the particular phenomenon (Creswell). Also, the study observed saturation, as Morse (2000) defined as the building of rich data within the inquiry process.

The study was conducted in a situation in Manila, Philippines, where many business establishments can be located and are owned by Filipino-Chinese entrepreneurs. The areas covered in this research are

Chinatown, Binondo, and Divisoria in Manila, where many business establishments are owned and managed by Filipino-Chinese businessmen and businesswomen.

This researcher followed Morse's recommendation to have at least 6 respondents as opposed to Creswell's lower limit of 5 respondents (with an upper limit of 25 subjects) for diverse and comprehensive research (Carpenter et al., 2009). The number of contacted individuals was kept due to time constraints since the researcher is conducting this study without external help.

The respondents are six Filipino-Chinese SME entrepreneurs in Manila. These respondents belong to the SME entrepreneurs based on the definition or classification of SME (RA 8289 and RA 6977, Magna Carta for Small Enterprises). They came from diverse enterprise backgrounds and industries selected through purposive sampling.

In addition, three government officials from the Social Security System, Department of Trade and Industry (DTI), and Bureau of Internal Revenue were interviewed regarding the status of Filipino-Chinese business activities, accomplishments, and compliance with the laws for business operation in the Philippines.

The researcher sought permission from the proper authorities to conduct the study. The collection of interview data occurred for four intensive months. All preparation was conducted, and the respondents determined the results of the interview based on the following criteria for selection: (1) geographical location, (2) time, (3) financial cost, (4) sensitive topics, (5) technology used, and (6) safety. The interview respondents and schedules are cited in:

**Table 2.** Interview Respondents, Locale, and Date

Location	Number of Respondents	Date of Interview	Mode of Interview
Manila	2	March 2019	E-mail Correspondence
Manila	2	April 2019	Personal Interview
Manila	2	May 2019	E-mail Correspondence
Manila	3	June 2019	Personal Interview

Source: Data Processed by Author (2022)

As this study is qualitative, the data were analysed using simple descriptive analysis from the gathered information in the in-depth interviews of six Filipino-Chinese SME entrepreneurs and three government officials. This treatment method of the data was maximised carefully and conscientiously narrated and described to answer the research problem in this study (Husserl, 2014).

## RESULTS AND DISCUSSION

### Filipino-Chinese Entrepreneurs Possess Distinctive Human Traits

Studying the so-called Chinese mystique may uncover some lessons the newbie entrepreneur may pick up lessons from. The Chinese—or at least the first-generation migrants from China to the Philippines shortly before

the war—were steeped in the Confucian values of industry, frugality, self-discipline, and respect for their elders. They came here hardy and ready for hard work. No work was too menial that they would not take. They did not mind long hours, measly wages, or inhospitable working conditions (Co, 2012).

Dr Diaz cited the values of typical Chinese families that orient members to entrepreneurship, including the Confucian values of hard work, self-discipline, delayed gratification for long-term benefits, and frugality. She added that with the Chinese, even marginal profits, as long as these come steadily, are acceptable (SERDEF, 2016).

When they put up their businesses, they were content to begin modestly. Not for them were plush offices and air-conditioned lounges. They were willing to sit on apple boxes while conducting business while a sensible electric fan was rotating nearby. They had no second thoughts about mopping floors, carrying heavy merchandise, selling house to house, and doing almost anything to keep their business going. They tightened their belts and kept an eye on future and long-term benefits. When they earned a profit, they did not rush out to buy sleek cars and luxurious homes but ploughed this back to grow their business. Psychologists call that "delaying gratification" (Co, 2012).

Chinese entrepreneurs are also exemplary in terms of networking. They help each other, especially those in the network of suppliers, creditors, or customers, even as they remain fiercely competitive individually (SERDEF, 2016).

Confucian worldview heavily influences how Filipino-Chinese maintain their relationship in personal and business-related situations. While they live on Philippine soil, their values are far from their Chinese origins. Some of the younger generations may learn and speak Filipino or other regional languages, but they are brought up more in Confucian principles that commonly guide them much later in their lives. To the rest of Filipinos, such ways of upbringing and values might be unfamiliar (Global-Executive-Solutions-Group, 2018).

The foundations of Confucian philosophy aim to achieve harmony within a society. These values are rooted in a hierarchal and patriarchal system where individuals always owe respect to their seniors, who in turn must give protection and care (Henning, 2013). Confucian tradition highly regards the concept of *ren*, often translated as "human heartedness," a value believed to be inborn in all but needs continuous cultivation. Moreover, the concept of *li* or propriety reminds them of conduct in interacting with other people and the larger society, emphasising proper behaviour in all human interaction (Global-Executive-Solutions-Group, 2018).

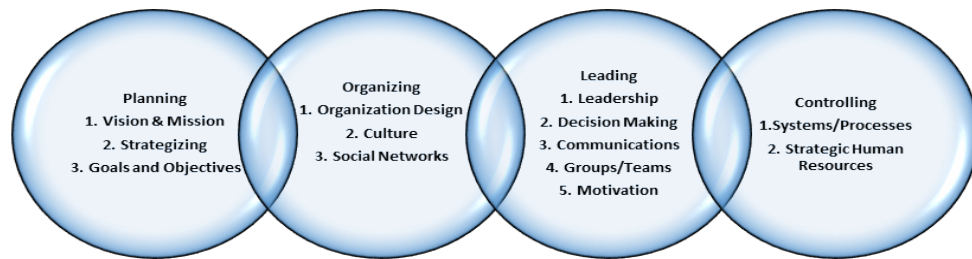
As per worldview, Confucianism is responsible for the principles governing interpersonal relations within modern China. The Chinese government has been encouraging Confucian values to boost the expansion of a balanced and harmonised society (Thompson, 2010).



## Planning, Organising, Leading and Controlling

This section provides communication management practices regarding planning, organising, leading, and controlling. Thus, the four functions have been long summarised in the P-O-L-C framework, as seen in Figure 1.

**Figure 1.** The P-O-L-C Framework



Source: (Dyck & Neubert, 2012)

### Planning

Dyck & Neubert (2012) argued that organisations identify goals and determine resources in planning. Based on managerial roles, the planning stage involves decisional roles because managers assume the role of entrepreneurs in examining the external and internal environment to maximise opportunities. Thus, planning involves decision-making, establishing goals, and formulating strategies that can sustain competitive advantages (Susilo, 2022).

Furthermore, Dyck & Neubert, (2012) emphasise planning as attached to ethical leadership and virtue theory. It states that from a virtue theory perspective, the management function of planning obligates leaders to work alongside others to set organisational goals and to develop a strategy (such as the minimiser, transformer, and compounder). Such leaders exercise foresight by taking a long-term holistic perspective on planning. They use measurable goals; however, they also use goals that may be difficult to measure, including goals related to human dignity, happiness, and environmental sustainability.

While Carpenter et al., (2009) mentioned that management's function involves setting objectives and determining a course of action for achieving those objectives. Planning requires managers to be aware of their organisation's environmental conditions and forecast future conditions. It also requires that managers be good decision-makers. Planning is a process consisting of several steps. The process begins with environmental scanning, meaning planners must be aware of the critical contingencies facing their organisation regarding economic conditions, competitors, and customers. Planners must then attempt to forecast future conditions. These forecasts form the basis for planning.

Meanwhile, entrepreneurial strategic planning is good practice to be innovative and has a willingness to encompass the likelihood of

change and consequent uncertainties (Paton & McCalman, 2008). Thus, entrepreneurial strategic planning practices and strategic communication management have been considered core constructs and specific demonstrations of firm-level entrepreneurship and were viewed as a potential source of a firm's competitive advantage, a situation women entrepreneurs should take advantage of to overcome limitations enhanced by the socialisation processes (Shane & Venkataraman, 2000);(Ireland & Webb, 2007).

### **Organising**

Organising is the function of management which follows planning. It is the process of establishing orderly uses for all resources within the organisation's management system. It is a function in which the synchronisation and combination of human, physical, financial, and information resources take place to achieve the results. Organising function is essential because it facilitates administration as well as the functioning of the organisation (Satyendra, 2015).

According to Dyck & Neubert,(2012), in organising, it is vital for managers to ensure that tasks are clarified, assigned, and explained to the employees systematically to achieve goals. At this stage, managers are required to allocate resources so that members of the organisation can work within the resources allocated. This function is dynamic as it is involved in structuring the organisation, assigning employees tasks, responsibility, and accountability.

As Dyck & Neubert, (2012) explained ethical leadership and virtuous organising, they stated that virtuous organiser exercises courage to challenge current organisational structures and systems which are serving the interest of the powerful but not of the powerless and implement organising fundamentals that empower marginalised stakeholders with opportunity and voice. The proposed virtue theory is a basis for developing organising principles that parallel mainstream organising fundamentals such as centralisation, specialisation, and standardisation.

In the words of Carpenter et al., (2009), organising is the function of management that involves developing an organisational structure and allocating human resources to ensure the accomplishment of objectives. The structure of the organisation is the framework within which effort is coordinated. The structure is usually represented by an organisation chart, which provides a graphic representation of the chain of command within an organisation. Decisions about an organisation's structure are generally referred to as organisational design decisions.

In addition, Carpenter et al., (2009) said that organising also involves the design of individual jobs within the organisation. Decisions must be made about the duties and responsibilities of individual jobs and how the duties should be carried out. Decisions about the nature of jobs within the organisation are generally called "job design" decisions.

The organising function of management is concerned with combining and communicating with people, work to be done, and physical resources into a meaningful relationship to achieve organisational goals. No planning can succeed unless a framework of activities (necessary for accomplishing objectives) is constructed. The relationship between different jobs is determined, and provision for their proper integration is made. Organising does this by creating and maintaining the activities in an accepted (manner) pattern, inter-relating and integrating them, and by helping people work together effectively to accomplish specific goals (Farooq, 2011).

### **Leading**

In leading, its main function is to motivate and influence others to perform their tasks that can achieve organisational goals (Dyck & Neubert, 2012). Entrepreneurial leaders consider entrepreneurship a basis for gaining a competitive advantage and outshining rivals (Lee & Venkataraman, 2006). In developing studies of leadership in competitive environments, a consensus has been reached on the ineffectiveness of most traditional approaches, and the necessity of using entrepreneurial approaches has been underlined (Ruvio et al., 2010). Entrepreneurial leadership is the dynamic process of presenting a vision, committing followers, and accepting risks when facing opportunities that cause efficient use of available resources, along with discovering and utilising new resources concerning the leader's vision.

In the words of Carpenter et al., (2009), leading involves the social and informal sources of influence that you use to inspire action taken by others. If managers are effective leaders, their subordinates will be enthusiastic about exerting effort to attain organisational objectives.

The article Importance of Leading in Management by (Faizul, 2016) enumerated three basic components of leading: Motivating employees – managers motivate their employees and subordinates. Influencing employees – managers influence their employees and subordinates to reach the organisation's desired goals. Forming Effective Groups – managers form effective groups in the organisation. The leading function helps any organisation go forward to attain its goals and objectives.

### **Controlling**

Management function of controlling is the process whereby an organisation sets performance objectives and strives to achieve them as best it can over time. It is a method for managing the performance of the organisation. It is process-oriented to verify the advancement status of the planned objectives as well as the efficacy and efficiency of the organisation through the analysis of the resources, costs, and proceeds (Satyendra, 2015).

Moreover, Satyendra, (2015) pointed out that controlling is one of the most important functions of management. It pinpoints the deviations

based on which management can take corrective actions. Without control, work done in the organisation is not systematic, and per plan since the inefficiencies remain undetected.

Carpenter et al.,( 2009) stated that controlling ensures that performance does not deviate from standards. Controlling consists of three steps, which include (1) establishing performance standards, (2) comparing actual performance against standards, and (3) taking corrective action when necessary. Performance standards are often stated in monetary terms such as revenue, costs, or profits but may also be stated in other terms, such as units produced, number of defective products, or levels of quality or customer service.

Performance measurement can be done in several ways, depending on the performance standards, including financial statements, sales reports, production results, customer satisfaction, and formal performance appraisals. Managers at all levels engage in the managerial function of controlling to some degree. This study aims to describe the management practices of Filipino-Chinese SME entrepreneurs in terms of planning, leadership, organising and control.

### **Communication Management among Filipino-Chinese SME**

The Researcher formulated the question related to How Filipino-Chinese entrepreneurs were to describe their communication management practices in planning, leading, organising, and controlling. SME businessman 1 mentioned, "I always anticipate every hurdle or problems that may occur." For SME businessman 2, he said that "only maintenance of trucks, the related equipment, bills payment, and overhead are well planned." SME businessman 3 indicated that "in planning, we are following the SMART planning approach, a traditional Filipino-Chinese businessman expect we know how to plan all the process and procedures in every department." SME businessman 4 revealed that he creates a detailed work/goal plan. He includes increasing advertisements in a particular region, placing some items on sale, increasing the required customer-to-sales representative contact, or contacting prior customers to see if they are interested in purchasing additional products. They manage their communication mediated and deal with plan. For SME businesswoman 5, "study the business you are getting into so that you know how much capital you need and the location." Lastly, SME businessman 6 stated that in planning, one must "analyse and provide a detailed and accurate forecasting to generate an effective action plan."

This implies that the six Filipino-Chinese SME businessmen have different management practices in terms of planning. It is supported by a conclusive case of (Liao & Gartner, 2006), which stated that nascent entrepreneurs who complete business plans are 2.6 times more likely to persist in business emergence than entrepreneurs who lack planning. In the words of Paton & McCalman, (2008), in entrepreneurial strategic

planning, it is a good practice to be innovative and has a willingness to encompass the likelihood of change and consequent uncertainties. As pooled results by these respondents, they are strategic planners who can forecast and follow some approaches to plan for their business venture. As such to enable growth, there is a need to keep monitoring, controlling, and evaluating which were core aspects of strategic management if these firms were to survive and achieve noticeable levels of competitive advantage.

In connection to Confucian principles, Low & Ang, (2013) states that to do well in one's business, one has to ensure effective planning, prepare carefully such as strategic positioning; grow a dynamic and talented human capital, and ensure effective and efficient supply chain management in the selling one's products or services. Nonetheless, (Dyck & Neubert, 2012) emphasises planning as attached to ethical leadership and virtue theory. It states that from a virtue theory perspective, the management function of planning obligates leaders to work alongside others to set organisational goals and to develop a strategy (such as the minimiser, transformer, and compounder). Such leaders exercise foresight by taking a long-term holistic perspective on planning. They use measurable goals; however, they also use goals that may be difficult to measure, including goals related to human dignity, happiness, and environmental sustainability.

The respondents take identity and acculturation with Confucian values as part of their beliefs and identity. As the business grows, planning including strategic communication management is one to be impactful for their business.

SME businessman 1 said, "For me, motivation is the key. Because without them, business operations would not be possible." SME businessman 2 stated, "authoritarian, leader-member exchange (LMX) – trust-based relationship, authentic-self-awareness; has a thorough understanding of his values and priorities; finds his style in his personality and life experiences." SME businessman 3 indicated that "we lead as a good example by strong leadership and good values." SME businessman 4 said, "We need to organise a logical pattern so our team can follow us. We build a connection between the management and our employees on an interpersonal level. It involves Communicating, motivating, inspiring, and encouraging employees towards a higher level of productivity." Then, SME businesswoman 5 said, "to be able to get the target for the business. Personnel are very important." Finally, SME businessman 6 mentioned that in leading, "Being prepared for different situations to be able to determine what needs to be done and being credible enough so that other people will follow you" must be done in leading a business.

Due to different businesses adhered in this study, leading entails various responses, but to Carpenter et al. (2009), leading involves the social and informal sources of influence that you use to inspire action taken by others. If managers are effective leaders, their subordinates

will be enthusiastic about exerting effort to attain organisational objectives. Moreover, (Faizul, 2016) enumerated three basic leadership components: Motivating employees – managers motivate their employees and subordinates. Influencing employees – managers influence their employees and subordinates to reach the organisation's desired goals. Forming Effective Groups – managers form effective groups in the organisation. These words cited from authors were also emphasised by the respondents in this study.

In connection to Confucian principles, directing or leading would encompass these Confucian concepts and values such as Being benevolent, practising filial piety, and Fostering the feeling of brother(sister)hood (Low & Ang, 2013). (Low & Ang, 2013) noted that motivating and encouraging one's employees to work effectively and efficiently is very important; therefore, directing is the function of guiding, inspiring, overseeing and instructing people towards accomplishing organisational goals.

Further, as for being benevolent, Low & Ang, (2013) pointed out that a benevolent manager would help and resolve their problems in no time. Thus, Confucius was asked by his student, Zi Zhang, on the subject of benevolence. Confucius remarked, "If you have these five qualities, then you can be said to be benevolent." Zi Zhang asked, "What are these five qualities?" Confucius explained, "Firstly, you should self-cultivate yourself and become a person of integrity, and when people feel that you have enough gravity in your doings, then they will respect you; Secondly, you have to widen your capacity of tolerance in dealing with people for with tolerance, people will support you; Thirdly, if you are always sincere in your doings and are a trustworthy person you would win the trust of others; Fourthly, if you are committed and diligent in your work, this will pave the way to success, and Finally, if you are generous to others, others would be obliged to help you in return for your kindness (Analects of Confucius, XVII: 6)" (Low & Ang, 2013). In attaining good leadership and management, one embraces and practices the value of filial piety to direct and guide people to achieve shared visions and goals. In Confucian philosophy, the value of brother (sister) hood can also refer to peer-ship and equality. Brothers and sisters need to respect each other, and there is thus little trouble of friction. So also, within the company, employees as peers should respect each other and work together; if so, teamwork and spirit are fostered. Working in team settings often motivates one ((Low & Ang, 2013).

SME businessman 1 said, "One of the hardest tasks a businessman faces daily is ensuring that "operations and manpower" are balanced. Because everything should stay in place in terms of the day-to-day processes." SME businessman 2, "Unlined daily tasks are organised. Organised dispatching of drivers and helpers". SME businessman 3 indicated that "we are very keen on details. Everything should be organised and computed accurately with a purpose." SME businessman 4 mentioned, "It involves the design of individual jobs within the

organisation. Organising is the function of our management that involves developing an organisational structure and allocating human resources to ensure the accomplishment of our objectives." SME businesswoman 5 stated that "company rule should be known to everyone to be able to implement." To conclude, SME businessman 6 revealed that in organising one must "Create a good working environment wherein all of the staff will be receptive to categorizing and carrying out of the plan will be successful."

Therefore, organising is establishing orderly uses of all resources within the management system. (Farooq, 2011) mentioned that the organising function of management is concerned with combining people, work to be done, and physical resources into a meaningful relationship to achieve organisational goals. Moreover, James et al., (2000) posits that "Coordination is the process of integrating the activities of separate departments to pursue Organisational goals effectively." Coordination as part of strategic communication is a key role to strive for business success (Ajayi & Mmutle, 2021; Borchers & Enke, 2021).

SME businessman 1 said, "Business is an ever-changing terrain, so I always make sure that I often keep a close look at my operations to make sure I can keep up and control each change in the demands of the business". SME businessman 2 mentioned that "hands-on in monitoring and controlling the manpower and internal operations." SME businessman 3 indicated that "we value money tremendously because for our money is the fruit of our hard work. We like to control every aspect in the business which will result in a good profit return." SME businessman 4 pointed out that "ensuring that performance does not deviate from standards. For our company controlling consists of three steps, which include (1) establishing performance standards, (2) comparing actual performance against standards, and (3) taking corrective action when necessary. Performance standards are often stated in monetary terms such as revenue, costs, or profits. However, they may also be stated in other terms, such as units produced, several defective products, or levels of quality or customer service." SME businesswoman 5 mentioned that "always follow house rules to control people in a Godly manner." Lastly, SME businessman 6 stated that "provide a good system for monitoring the plan and be flexible enough to adjust to current outcomes."

The results also signify the words of Satyendra (2015), who pointed out that controlling is one of the important functions of management. It pinpoints the deviations based on which management can take corrective actions. Without control, work done in the organisation is not systematic, and per plan since the inefficiencies remain undetected. Moreover, (Carpenter et al., 2009) stated that controlling ensures that performance does not deviate from standards. Controlling consists of three steps, which include (1) establishing performance standards, (2) comparing actual performance against

standards, and (3) taking corrective action, when necessary, which were mentioned by businessman 4 during the interview.

**Table 3.** Emergent Themes for Filipino-Chinese SME Entrepreneurs Management Practices

Filipino-Chinese SME Entrepreneurs Management Practices			
Planning	Leading	Organising	Controlling
anticipate every hurdle or problems that may take place	motivation is the key	Balancing operations and manpower	keep a close look at operations, make sure can keep up and control each change in the demands of the business
Well-planned maintenance of equipment, bills payment, and overhead	authoritarian, leader-member exchange (LMX) – trust-based relationship, authentic-self-awareness, understanding of own values and priorities	Unlined daily tasks, Organised dispatching	Hands-on in monitoring and controlling the manpower and internal operations
SMART planning approach	lead as a good example by strong leadership and good values	very keen on details	value money tremendously because money is the fruit of hard work; control every aspect of the business, which will result in a good return on profit
detailed work/goal plan	Organise a logical pattern so that team can follow, communicate, motivate, inspire, and encourage employees towards a higher level of productivity	designing individual jobs, developing an organisational structure, and allocating human resources to ensure the accomplishment of objectives	Performance does not deviate from standards; the company follow three steps (1) establishing performance standards, (2) comparing actual performance against standards, and (3) taking corrective action when necessary; Performance standards are often stated in monetary terms such as revenue, costs, or profits but may also be stated in units produced, number of defective products, or levels of quality or customer service
study the business capital and the location	get the target for the business, valuing personnel	company rules should be known to everyone to be able to implement	follow house rules to control people in a goodly manner
Analyse and provide detailed and accurate forecasting to generate an effective plan for action	Being prepared for different situations, able to determine what needs to be done, and being credible enough	Creating a good working environment wherein all staff will be receptive to categorising and carrying out the plan will be successful.	Provide a good system for monitoring the plan and be flexible enough to adjust to current outcomes

Source: Data Processed by Author (2022)



### **Emergent Themes for Filipino-Chinese SME Entrepreneurs Communication Management Practices**

As the principles of management used in this section, Table 3 on the next page indicates how these SME Filipino-Chinese entrepreneurs manage their businesses. In terms of planning, it was revealed that all aspects came from the entrepreneurs. This opposes Leung & Kleiner, (2004) study that allowing employees to participate in making these decisions may generate additional ideas that offer valuable insights. In leading, it can be noticed that motivation, communication, and trust emerge from the respondents' responses. Like the study of Howell & Costley, (2006), which believes that leadership is a multi-dimensional process that includes motivation and influence of employees, Blazey, (1997) believes that exceptional leaders are a part of this motivation and influence typically skilled communicators.

Thus, table 3 concludes that Zeffane et al., (2011) stated that communication, in turn, is positively associated with trust. There were various responses from the respondents in organising due to the different business ventures they are associated with. Hence, (Leung & Kleiner, 2004) mentioned that the organising function of management is comprised of numerous activities directly or indirectly related to the allocation of resources in ways that support the achievement of goals and plans that were developed in the planning function. This is also revealed by the SME Filipino-Chinese entrepreneurs who value their staff organising their businesses. It is noticeable that Confucian principles such as Wa (harmony) and harmony representing Chih Shan (the highest good) are entwined. Moreover, it exhibits Shih's good faith and moral excellence, and Yi (righteousness) does not involve any benefits to oneself but would do for the good of others. Furthermore, the responses manifested Lao Tzu Yin and Yang's fundamental doctrines of harmony and balance in having these distinct entrepreneurial skills as Filipino-Chinese entrepreneurs.

### **CONCLUSION**

The SME Filipino-Chinese entrepreneurs perform the four overarching functions of management practices in terms of planning, leading, organising, and controlling (PLOC). The P-O-L-C functions of management provide a very useful way of classifying the activities entrepreneurs engage in as they attempt to achieve business goals.

In planning, the Filipino-Chinese entrepreneurs generated forecasts and anticipation of problems, were keen on detailed work/goal plans, used the SMART-2 planning approach, strategic communication, and studied the business capital and the location. In leading, the Filipino-Chinese entrepreneurs lead by example through trust-based relationships. Moreover, they value their personnel by communicating, motivating, inspiring, and encouraging them to achieve a common goal.

In organising, balancing operations and manpower, designing individual jobs, developing an organisational structure, allocating human resources, creating a good working environment, and carrying company rules should be known to everyone where the management practices of the Filipino-Chinese entrepreneurs. In controlling, keeping a close look at operations, being hands-on in monitoring, valuing money tremendously, performing without deviating from standards, following house rules, and providing a good monitoring system were the Filipino-Chinese entrepreneurs' management practices. The business success factors explored in this study were limited to risk behaviour, persistence, networking, interpersonal relationships, ethics, need for achievement, frugality, and entrepreneurial skills.

This research can be developed for quantitative research in the future to measure the effectiveness of the PLOC model on Filipino-Chinese SME entrepreneurs and the adoption of strategic communication. Also, can be a comparative study on strategic communication in the business organisation between Filipino-Chinese and Native Filipino.

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