This chapter aims to describe and analyse the management crisis as a continued conflict at the organizational level, drawing on contextual factors on the outer levels of the MLM, namely, the socio-economic, organizational, and inter-event contexts. This chapter also serves to provide the background for the analysis of the interactive conflicts at the meeting in Chapter 5 and for the investigation of the intercultural differences in relational strategies from Chapter 6 to 9.

4.1 SITE – the organizational context

Organizational context refers to various aspects of contextual information about the organization investigated in an ethnographic workplace study. These may include the type, scale, and development stage of the organization, the business scope, the management structure, and the entailed hierarchical and cooperative relationship between teams or departments, and the (national, professional or other types of) cultural composition of the staff.

4.1.1 Features of the organization

As more and more Chinese people become better off in the economic surge from the turn of the century, there has been a sharp increase in the number of high school or university graduates who are interested in pursuing their further degrees abroad. As a result, all types of commercial preparatory programmes have been established all over China, usually within established educational institutions, such as universities or high schools. These programmes usually provide courses in EAP (English for Academic Purposes) as well as some introductory courses in specialized subject areas. The major purpose of these programmes is to
help Chinese students develop the academic study skills necessary for surviving and prospering in Western higher educational institutions. The organization investigated in this study, with the pseudo name SITE, was a training centre where one of such programmes was operated.

SITE was still a new and developing organization at the time of the data collection. The data was collected at the end of the second year of the programme when the second cohort of students just graduated and the third was yet to start. The management structure and management mechanism were still under construction and the divisions of job duties of departments and positions were yet to be clarified. This necessarily entailed ongoing changes and uncertainties within the organization. Furthermore, SITE was not only new in terms of time of establishment and stage of development, but also in terms of type of organization and nature of business.

SITE had always seemed mysterious to its international staff in terms of its identity and affiliation. It claimed to be affiliated to an extremely prestigious state-run university (hereby referred to as SRU). The staff and students were granted access to academic resources such as library and labs. The international staff were regarded as part of the university staff (most of the Chinese staff were not) and issued the ‘Foreign Expert Certificate’. However, SITE was in fact a private limited company and financially independent from the SRU. The connection with SRU was made only for marketing purposes, that is, to use the university's name to attract students, which was costly for SITE. A large percentage of the tuition fees were paid to the SRU as royalties. To make it worse, the existence of SITE had always been in danger as there were ongoing disagreements and doubts among the policy makers of the university regarding such commercial training centres. Some saw them as parasites that might drag the prestigious name of the university down in disrepute, while others welcomed and benefited from the considerable income in addition to the financial appropriation from the government. As a result, SITE faced double survival pressure, that is, both fierce competition in the market and policy uncertainty and political power struggles within the university.

Closely related to the type of organization was the hybrid business nature of SITE, being both educational and commercial. As a private business organization under huge survival pressure, the major concern was profit, which was in turn determined by student numbers. As an educational institution, the quality of the academic programme and crucial to this, the quality of the students, was the major concern. This hybrid nature entailed an unavoidable conflict between profit and