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Korean management: Quo vadis?

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South Korea (henceforth Korea) was considered a poor, unknown country in the 1960s. However, within the last few decades, Korea has achieved tremendous and rapid economic growth. Today, Korea is an established member of the OECD and boasts the 11th largest economy in the world. The GDP per capita is at a relatively similar level with Italy, New Zealand, and the UK. The economy is well connected internationally and is particularly strong in the industries of manufacturing and high technology. For instance, Korea is known for having the fastest Internet connection speed in the world. Several Korean companies such as Samsung, Hyundai, and Posco have become world leaders in their industries. Furthermore, Korean music, TV dramas, and Internet channels have started a “Korean wave”; i.e. an increase in the global popularity of Korean culture, particularly in Asia. For instance, the video “Gangnam style” has been watched more than three billion times on YouTube, and the Korean movie “Parasite” by Joon-ho Bong won four Oscar awards in 2020. In short, Korea has become a major economic and cultural force on the global world stage and an attractive destination for foreign business (Froese 2019).

Benchmarking is a process by which to adopt practices from the most successful companies to catch up to world leaders. In the past, Korean businesses benchmarked global world leaders. First, they largely imitated Japanese business practices, because Japan was able to achieve superior economic growth during the post-war period. Supported by the government, Korea developed several large conglomerates, called chaebols; e.g. LG, Lotte, Samsung. After the collapse of the Japanese economy and the Asian financial crisis, Korean businesses aggressively imitated US style business practices; e.g. corporate restructuring and US-style performance management. This catapulted several Korean chaebol companies into leading global positions. For instance, Samsung overtook Sony (Chang 2008), which shocked Japanese business executives. The financial crisis in 2008 and recent nationalism tendencies have revealed that the US might not be the ideal to follow anymore.

Because Korean companies have successfully caught up with Japanese and US business industries, benchmarking such businesses provides little benefit. This puts Korea at crossroads. Which business practices should it imitate? For instance, other

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economies such as Germany emphasize the importance of small- and medium-sized enterprises. Accordingly, Korea has promoted the development of small- and medium-sized enterprises. Apart from benchmarking others, it is about time for Korean business to develop more self-confidence and develop its own business practices. Furthermore, what can others learn from Korean business?

This focused issue provides an overview of Korean management within different organizational contexts, including large chaebols, government, and small- and medium-sized enterprises. Moreover, the perspective article by Hemmert (2020) uncovers the success factors of Korean management and provides recommendations for how Korean and non-Korean companies can learn from it. Three commentaries by distinguished scholars then provide a critical assessment of Martin Hemmert's propositions. This analysis is intended to increase our understanding of Korean management and stimulate a discussion about the future of Korean management.

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