

Chapter 18: Intercultural & International Business Communication

*We should never denigrate any other **culture** but rather help people to understand the relationship between their own culture and the dominant culture. When you understand another culture or language, it does not mean that you have to lose your own culture*

--Edward T. Hall, 1998

Culture encompasses all learned and shared, explicit or tacit, assumptions, beliefs, knowledge, norms, and values, of an organized group of people who share a common history and communication system.

Learning Objective

1. To understand why effective intercultural and international business communication matters.
2. Discuss the three significant factors that lead to international business failure.
3. To define culture, diversity and cultural intelligence.

The twenty-first century business environment is expanding and increasingly attracting the interest of countries from developed and developing nations from all over the planet (Washington, Okoro, Thomas, 2012). Companies are going global and creating diverse teams that are being dispersed all over the world. Since the foundation of all successful international business is anticipating and understanding cultural and linguistic differences, then making the necessary adaptations in the way you communicate (Cardon, 2018), we must consider our cultural and value differences and develop a cross-cultural work relationship that is innovative, adaptable, empathetic and cooperative.

Due to a growing global market and diverse consumer needs, countries of the world are becoming increasingly interdependent and interconnected. As such, it is critically important that participating countries and their organizations understand and appreciate one another's cultural differences. According to Washington et al., this is the only way to ensure growth and sustainability in international business. Recent studies examined by Washington et al. have traced the failure of some international business ventures to three significant factors: lack of intercultural skills and competence, inability to communicate effectively at a global level, and failure to practice acceptable etiquette in business negotiations. Therefore, businesses from different countries need to appreciate the importance of understanding the cultures and values of their counterparts as well as develop intercultural communication sensitivity and decorum (Washington et al., 2012).

Diversity in the workforce encompasses many cultural groups with a wide range of abilities, experience, knowledge and strengths due to its heterogeneity in national culture, ethnicity, age and gender. Diverse work environments demand an employee who is able to bridge cultural divides and knowledge gaps in a local and global organization. They possess a high level of **cultural intelligence**, a measure of one's ability to work with and adapt to members of another culture. They are able to transfer this knowledge between groups both locally and globally and can build interpersonal connections and processes in a cross-cultural workforce. The development of cross-cultural skills is best developed through research and experiential learning. Applying this cultural awareness and adapting to cultural contexts will greatly reduce misunderstanding and poor communication while improving diverse work relationship.

Experiential Learning

At a recent business lunch meeting with a new potential client in Madrid, Spain, I arrived twenty minutes early to reserve a private table. This was a standard practice I employed in the United States. The scheduled time arrived but the client did not. I checked my phone for communication of the client's pending arrival. I anxiously pondered if I'd noted the correct date, location and time. Tempted to call my late acquaintance, I took a deep breath and ordered another drink. Ten minutes later the potential client casually walked through the door, greeted me warmly and sat down to begin soft negotiations without mention of their tardiness. Mindful that Spain was a new country to me and there were gaps in my understanding of the culture, I said nothing of their late arrival. Instead of discussing business, we mostly talked of our families. Following lunch, I called corporate headquarters back in the States to speak with our global advisor. It was then I was told, in Spain arriving ten minutes after an arranged meeting time is not considered late. Now understanding the cultural context of the interaction I felt more confident moving forward with presenting financial contract terms at the formal business meeting the following day. We closed the deal the following month. Interestingly, our now long-standing client was ten minutes late (according to US standards) for that meeting as well. [Professional testimony]

Edward T. Hall, an American Anthropologist and cross-cultural researcher is cited as a pioneer in the field of intercultural communication (Chen, G. and Starosta, W., 2000). Born in 1914, Hall spent much of his early adulthood in the multicultural setting of the American Southwest, where Native Americans, Spanish-speakers, and descendants of pioneers came together from diverse cultural perspectives. By focusing on interactions rather than cultures as separate from individuals, he asked us to evaluate the many cultures we ourselves belong to or are influenced by as well as those with whom we interact. While his view makes the study of intercultural communication far more complex, it also brings a healthy dose of reality to the discussion. Hall is generally credited with

eight contributions to our study of intercultural communication (Chen, G. and Starosta, W., 2000; Leeds-Hurwitz, W., 1990; McLean, S., 2005):

- Compare cultures. Focus on the interactions versus general observations of culture.
- Shift to local perspective. Local level versus global perspective.
- You don't have to know everything to know something. Time, space, gestures, and gender roles can be studied, even if we lack a larger understanding of the entire culture.
- There are rules we can learn. People create rules for themselves in each community that we can learn from, compare, and contrast.
- Experience counts. Personal experience has value in addition to more comprehensive studies of interaction and culture.
- Perspectives can differ. Descriptive linguistics serves as a model to understand cultures, and the U.S. Foreign Service adopted it as a base for training.
- Intercultural communication can be applied to international business. U.S. Foreign Service training yielded applications for trade and commerce and became a point of study for business majors.
- It integrates the disciplines. Culture and communication are intertwined and bring together many academic disciplines.

Key Takeaway

Cross-cultural business requires skillful communication, and assumptions and misunderstandings about language and behavior can be barriers to success. (Carte, Fox & Canning, 2004)

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18.1 Develop Cultural Intelligence

Learning Objective

1. Describe the nine characteristics of a global mindset or high cultural intelligence
2. Understand the four competencies of working across cultures

High cultural intelligence is a predictor of strong job performance in a new culture. Recent research found professionals with high cultural intelligence to be more successful in international assignments and to work more effectively with diverse groups. They also adjust more readily to living and working in a new country and culture (Subramaniam et al., 2012). To accelerate the development of cultural intelligence, a business professional should consider establishing a global mindset and incorporating four intercultural readiness competencies. Eventually you will feel confident identifying cultural differences and adapting your behavior accordingly.

According to Rhinesmith (1995), a global mindset is a way of being, rather than a set of skills. It is an orientation of the world that allows one to see certain things that others do not. A **global mindset** means the ability to scan the world from a broad perspective, always looking for unexpected trends and opportunities that may constitute a threat or an opportunity to achieve personal, professional or organizational objectives (Rhinesmith,1995:24). Maznevski and Lane argue another variation. Rather than seeing situations through an interdependence lens, a **global mindset** is the ability to develop and interpret criteria for personal and business performance that are independent from the assumptions of a single country, culture, or context; and to implement those criteria appropriately in different countries, cultures, and contexts (Maznevski, Lane, 2004: 172).

Global Mindset

To establish a global mindset and develop characteristics of high cultural intelligence there are nine skills you should implement:

- Respect, recognize and appreciate cultural differences

- Possess curiosity about and interest in other cultures
- Avoid inappropriate stereotypes
- Adjust conceptions of time and show patience
- Manage language differences to achieve shared meaning
- Understand cultural dimensions
- Establish trust and show empathy across cultures
- Approach cross-cultural work relationship with a learner mind-set
- Build a co-culture of cooperation and innovation
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Applying these proficiencies in a cross-cultural work environment will assist professionals to effectively adapt to new cultural contexts and more aptly reach organizational goals and objectives.

Intercultural Readiness

Another tool to ensure successful work relationships and communication strategies is employing the Intercultural Readiness model to assess four key competencies necessary across different cultures. Drawing on research from 30,000 individuals based on their experience as intercultural management consultants, Brinkman & Weerdenburg (2014) provide insights of cross-cultural management through exploration of four competencies: Intercultural sensitivity, Intercultural communication, building commitment and managing uncertainty.

Intercultural sensitivity is the degree to which we are actively interested in other people's cultural backgrounds, their needs and perspectives. This can be achieved thru two facets: *cultural awareness* and *attention to signals*. First, we need to see our own interpretation of norms and values as culture specific. We should also consider different cultural perspectives as equally valid. Second, we need to seek information about the thoughts and feelings of the individuals we are interacting by paying attention to their verbal and non-verbal signals.

Intercultural communication is the degree to which we actively monitor how we communicate with people from other cultures through *active listening* and then *adapting our communicative style* accordingly. Mindfulness when communicating with others includes heeding their expectations and needs. Only then are we able to adjust the way we communicate in order to fine-tune a message in line with their cultural requirements.

Building commitment is the degree to which we actively try to influence our social environment, based on a concern for relationship and integrating people and their concerns. When we *build relationships*, we invest in developing relationships and diverse networks of contacts. This should be done in tandem with *reconciling stakeholder needs*, which seeks to understand the interest of different stakeholders, and create solutions to meet these needs. **Managing uncertainty** is the degree to which we see the ambiguity and complexity of culturally diverse environments as an opportunity

for personal development through *openness to cultural diversity* and *exploring new approaches*. First, we need to be willing to deal with the added complexity of working within cultural diverse environments. Second, we should be motivated by diversity as a source of learning and innovation and willing to risk trying new ideas and strategies.

| INTERCULTURAL SENSITIVITY | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The degree to which we are actively interested in other people's cultural backgrounds, their needs and perspectives. | |
| Facet 1: Cultural Awareness | Facet 2: Attention to Signals |
| The ability to see our own interpretations, norms and values as culture-specific, and to consider different cultural perspectives as equally valid. | The extent to which we seek information about others' thoughts and feelings by paying attention to verbal and nonverbal signals when interacting with them. |
| INTERCULTURAL COMMUNICATION | |
| The degree to which we actively monitor how we communicate with people from other cultures. | |
| Facet 1: Active Listening | Facet 2: Adapting Communicative Style |
| The degree to which we are mindful when communicating with others, and pays due attention to their expectations and needs. | The degree to which we adjust how we communicate in order to fine-tune a message in line with cultural requirements. |
| BUILDING COMMITMENT | |
| The degree to which we actively try to influence our social environment, based on a concern for relationships and integrating people and concerns. | |
| Facet 1: Building Relationships | Facet 2: Reconciling Stakeholder Needs |
| The degree to which we invest in developing relationships and diverse networks of contacts. | The degree to which we seek to understand the interests of different stakeholders, and can create solutions to meet these needs. |
| MANAGING UNCERTAINTY | |
| The degree to which we see the uncertainty and complexity of culturally diverse environments as an opportunity for personal development. | |
| Facet 1: Openness to Cultural Diversity | Facet 2: Exploring New Approaches |
| The degree to which we are willing to deal with the added complexity of culturally diverse environments. | The degree to which we are stimulated by diversity as a source of learning and innovation, and risks trying out new ideas. |

Brinkman & Weerdenburg (2014) Intercultural Readiness: Four competencies for working across cultures.

An international assignment affords business professionals the opportunity to experience new ways of learning, adapting and interacting through exposure to different value systems, languages and cultural environments. If you successfully apply strategies to establish a global mindset and ready yourself for working with cultures from around the world, you will broaden your functionality for working with teams not just internationally but in your native country as well. It will change the way you think and awaken you to the reality that this is a global world (Warner, 2005).

Key Takeaway

A global mindset will provide the opportunity to engage in intercultural and international business relationships more effectively by establishing trust and respect.

Exercises

1. Establish a global mindset about another culture of interest to you. Develop a plan to learn more: study abroad, learn a new language, friend an international student, and/or research a different culture online.

2. Interview an international student. Consider asking about:
 - Business practices in their culture
 - Challenges adapting to our culture (food, housing, transportation)
 - Experience working with students from another culture
 - Observations of your culture

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18.2 Intercultural Communication

Learning Objective

1. Develop an awareness of nonverbal and verbal communication variances
2. Manage language barriers
3. Consider cultural customs and proper etiquette

Cross-cultural work environments mandate cross cultural communication, which may create complex and sometimes problematic encounters. This leads to frustration between collaborators, apprehension by potential clients to continue interaction, conflict between colleagues and eventually failure to meet deadlines, close the deal or maintain a business partnership. Targowski and Metwalli (2003) believe the twenty first century business era will increasingly focus on the critical value of cross-cultural communication processes as this directly impacts efficiency and the cost of business.

Successful communication is a prerequisite for knowledge to effectively transfer between culturally diverse professionals. This makes the management of language barriers and the development of a robust repertoire of verbal strategies and nonverbal behaviors a necessity. Similarly, understanding and adhering to the etiquette and customs of culture is essential as it directly impacts the manner in which you communicate.

Etiquette and Custom Considerations

| | |
|------------------------------------|------------------------------|
| Appropriate topics of conversation | Private or prohibited topics |
| Conversation style | Meetings |
| Punctuality | Dining |
| Business dress | Gift giving |
| Titles | Touching and proximity |

Nonverbal Communication

Herring (1990) is credited with recognizing that nonverbal behaviors are a key part of communication and understanding. By increasing awareness of cultural variations in nonverbal

communication patterns, cultural misunderstanding and miscommunication may be significantly reduced. Non-verbal communication is categorized as non-word messages exchanged through facial expressions, gestures, personal space, body language, time-work habits, punctuality and silence. This includes but is not limited to both intentional and unintentional use of eye contact, smiling, touching, smells, colors, physical proximity, noises or silence and punctuality. Chronemics, the attitude of a culture toward time, can be categorized into two categories; Monochronic or Polychronic. According to Chaney & Martin (2014), monochromic countries perform only one major activity at a time, they concentrate solely on the job and take their time commitments seriously. They show respect for private property and are accustomed to short-term relationships. Examples of this attitude are the United States, Switzerland, Germany and England. Polychronic cultures are comfortable doing many things at once, get easily distracted, and view time commitments casually. They are deeply committed to people, borrow or lend property often and build relationships for a lifetime. Examples of people possessing this attitude are from Latin American, Mediterranean and Arab countries.

While nonverbal behavior may only be viewed as supplementary in intercultural communication, it is used to complement verbal messages, and sometimes substitute and accentuate verbal messages. As such, making an effort to understanding the norms and differences should be researched to reduce miscommunication, social anxiety and potentially offense.

Experiential Learning

Another form of nonverbal communication includes thought patterns. Consider the difference between managers from the United States and Japan:

A decision to launch targeted marketing campaigns in both the Japanese and American countries seemed like an easy decision to my colleague from New York. The product had passed rigorous testing and according to focus groups from both countries, it was going to be a well received in both markets, although for different reasons. The Director of Marketing in New York signed off on the campaign the same day it was placed on his desk. He has leeway to make decisions at will as long as market research supports his judgment. Conversely, the Senior level Marketing Director in Tokyo, Japan received documentation to approve the campaign the day prior to the New York market. Without the careful inspection and full support of his Superiors, he is unable to sign off on the campaign himself. He carefully reviewed every word of the agreement and typed up his support of the project for his Senior Executive Board to review the following week. Prior to that meeting, he plans to meet individually with every member of the board to discuss their opinion on the project. This is an effort to minimize any errors or misgivings and maintain consistency at all levels. After numerous exchanges between the US & Japanese teams and some conservative concessions

requested by Tokyo's executive board, both markets eventually approved the campaign, ten days apart.

Verbal Communication

Employing verbal strategies in intercultural communication enhances the ability to deliver and understand speech between members of diverse cultures. These strategies can reduce confusion and misinterpretation while improving business relationships and work efficiency and productivity. Implementing a basic process of identifying the communication problem, formulating a plan, identifying the tools needed, testing the strategy and evaluating its success is a solid approach to overcoming verbal obstacles. Special cultural considerations should be given when evaluating the delivery of an understated messages, an exaggeration, compliments, incorporating moments of silence and voice inflections.

Verbal intercultural communication is more than just understanding a language different from your native tongue, it embracing the tone and tenor in which it's delivered. Paralanguage refers to the rate and volume of a message delivery. A message delivered at an increased rate or volume of speech may signal impatience, anger or a desire to be heard. In contrast, we must also consider the tone and tenor may be the result of a cultural norm. In the Philippines and Thailand speaking softly is an indication of education and good breeding while in Arabic cultures' speaking loudly is a sign of strength and sincerity. Even within the United States the rate of speech varies in different regions; Northerners speak faster than Southerners.

Manage language barriers*

To effectively manage language barriers consider implementing the following methods:

- Avoid quick judgments of others with limited communication proficiencies
- Articulate clearly and slow down
- Avoid slang or jargons
- Give others time to express themselves.
- Use interpreters as necessary

*Business Communication: Developing Leaders for a networked world – Cardon, P. (2018)

Key Takeaway

Spend time researching verbal & non-verbal communication strategies and etiquette & cultural preferences before interacting in a cross-cultural environment to avoid unnecessary misunderstandings. This will help establish strong business relationships from the very beginning.

Exercises

1. Develop a strategy to manage language barriers through an email exchange, a phone or Skype call or in person meeting.
2. Research the customs and etiquette of a country that interests you. Using table (insert number) report on five of the ten considerations for the culture you researched.

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18.3 Business Communication – Writing across cultures

Learning Objective

1. Describe considerations for writing to international audiences.
2. Understand the differences between high context and low context culture.

Strategies for effective business communication – writing across cultures

To be certain your written cross-cultural communication meets the needs and expectations of the readers, professionals must first determine their audience and adjust their writing methods accordingly. To effectively assemble a message that is appropriate, it is crucial to understand the cultural norms of the intended audience. Implementing a series of strategies when writing to international audiences will assist in constructing an effective document.

To begin, avoid stereotypes and building generalizations. Study the target culture, or meet and interact with people from that culture. Consider clarifying acceptable topics with colleagues possessing cultural experience and knowledge. For most cultures it is advisable to buffer negative messages, and be more indirect when making requests. Don't just assume all deliverable documents are formatted similarly. Investigate culture specific memo and letter forms. Pay attention to the date format and style preferences. Avoid using the vernacular or slang, jargon and euphemisms as they will likely be misinterpreted. Finally, consider recruiting a cultural experienced colleague to preview your document and provide suggestions or edits.

High Context vs. Low Context Communication

Ironically, language differences cause fewer problems than contextual cultural differences. With this knowledge, when writing across cultures it is imperative to reference and follow the prevailing context of that culture. In *high context cultures*, indirect methods of communication are vulnerable to communication breakdowns. High context cultures rely heavily on oral discourse and assume a great deal of commonality of views and knowledge. These assumptions lead to less explicit descriptions and a reliance on implicit communication delivered in indirect ways. High context cultures also place emphasis on a personal contact and establishing relationships while placing value on the collective over the individual. In *low context cultures*, most communication is fully and concisely composed. Written text is contractual and explicit with considerable dependence placed on the actual text. Personal relationships are less important than tending to business and the individual is valued above the collective.

According to Rutledge (2011), the implication on cross-cultural business communications is obvious. Interactions between high and low context cultures can be challenging.

- Japanese can find Westerners to be offensively blunt. Westerners can find Japanese to be secretive, devious and bafflingly unforthcoming with information.
- French can feel that Germans insult their intelligence by explaining the obvious, while Germans can feel that French managers provide no direction.



Cultural Contrast in Written Persuasive and Motivation

Another consideration in writing across cultures includes the normative layout of the communication including the opening, persuasive argument, style, closing and values projected. For example, in the United States an opening statement can request an action or grab the reader's attention. But in Japan the opening should offer thanks or apologize. In contrast, Arab countries expect a personal greeting. When constructing a persuasive text, cultural mindfulness should dominate the message.

Consider the written persuasive contrast between the United States and Arab Countries. In the USA, persuasion offers immediate gain or loss of opportunity while in Arab Countries persuasion occurs through personal connections and potential future opportunities. Intentional and knowledgeable considerations should also be given to the style, closing and intrinsic values. Motivation is another aspect to be considered when assembling a written communication as cultures place differing ideals on the emotional appeal, recognition, material rewards, threats and values. See the tables below for more descriptions.

| | <i>USA</i> | <i>Japan</i> | <i>Arab Countries</i> |
|------------------------|------------------------------------------|----------------------------------------|----------------------------------------|
| Opening | Request action or get reader's Attention | Offer thanks, apologize | Offer personal greeting |
| Way to persuade | Immediate gain or loss of opportunity | Waiting | Personal connections, future oppor. |
| Style | Short, concise Sentences | Modesty, minimize own standing | Elaborate expressions; |
| Closing | Specific request | Desire to maintain harmony | Future relationship, personal greeting |
| Values | Efficiency; Directness; Action | Politeness; indirectness; Relationship | Status; continuation |

Contrast in Motivation

| | <i>USA</i> | <i>Japan</i> | <i>Arab Countries</i> |
|-----------------------------|-----------------------------------|---------------------------------------------|---------------------------------------|
| Emotional Appeal | Opportunity | Group participation | Religion; nationalism |
| Recognition based on | Individual achievement | Group achievement | Individual status; status of society |
| Material rewards | Salary; bonus; profit sharing | Annual bonus; social services; job security | Gifts for self, family; salary |
| Threats | Loss of job | Loss of group membership | Demotion; loss of "face" |
| Values | Competition; risk taking; freedom | Group harmony; belonging | Reputation; family standing; religion |

Key Takeaway

To establish and maintain a successful international business relationship, consider appropriate writing strategies to avoid preventable mistakes that may lead to costly errors.

Exercises

1. Summarize effective business communication strategies for a culture of your choosing. First consider whether it's a high or low context culture.
2. Research memo and/or letter formats for a culture of your choosing.

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18.4 Divergent Cultural Characteristics

Learning Objective

1. Define Hofstede's five dimensions of cultural consequences; power distance, individualism, collectivism, uncertainty avoidance and masculinity & femininity.
2. Compare The Globe's study of managers from 62 countries; individualism, collectivism, organizational collectivism, hierarchy, performance orientation, future orientation, assertiveness, humane orientation, uncertainty avoidance.

Divergent Cultural Characteristics

Hofstede's Five Dimensions

Power Distance - how do we feel about those in power? In cultures with low power distance, people are likely to expect that power is distributed rather equally, and are furthermore also likely to accept that power is distributed to less powerful individuals. As opposed to this, people in high power distance cultures will likely both expect and accept inequality and steep hierarchies. (BusinessMate.org, 2014)

Uncertainty Avoidance - How will they adapt to change and uncertainty? Uncertainty avoidance is referring to lack of tolerance for ambiguity and need for formal rules and policies. This dimension measures the extent to which people feel threatened by ambiguous situations. These uncertainties and ambiguities may be handled by an introduction of formal rules or policies, or by a general acceptance of ambiguity in the organizational life. The majority of people living in cultures with a high degree of uncertainty avoidance are likely to feel uncomfortable in uncertain and ambiguous situations. People living in cultures with low degree of uncertainty avoidance, are likely to thrive in more uncertain and ambiguous situations and environments. (BusinessMate.org, 2014)

Individualism vs. Collectivism - which is valued more? In individualistic cultures people are expected to portray themselves as individuals, who seek to accomplish individual goals and needs. In collectivistic cultures, people have greater emphasis on the welfare of the entire group to which the individual belongs, where individual's wants, needs and dreams are often set aside for the common good. (BusinessMate.org, 2014)

Masculinity vs. Femininity - What is male/female role? These values concern that extent on emphasis on masculine work related goals and assertiveness (earnings, advancement, title, respect, et.), as opposed to more personal and humanistic goals (friendly working climate, cooperation, nurturance etc.) (BusinessMate.org, 2014)

Time Orientation - short or long term? Long-Term Orientation is fifth dimension, which was added after the original four dimensions. This dimension was identified by Michael Bond and was initially called Confucian dynamism. Geert Hofstede added this dimension to his framework, and labeled this dimension long vs. short-term orientation. The consequences for work related values and behavior springing from this dimension is rather hard to describe, but some characteristics are described below. (BusinessMate.org, 2014)

Long Term Orientation:

- Acceptance of that business results may take time to achieved
- The employee wishes a long relationship with the company

Short Term Orientation:

- Results and achievements are set, and can be reached within timeframe

- The employee will potentially change employer very often

Hofstede's Cultural Value Scores for 30 Selected Cultures

| Country | Power Distance | Individualism/ Collectivism | Uncertainty Avoidance | Masculinity/ Femininity |
|----------------|----------------|--------------------------------|-----------------------|-------------------------|
| Argentina | 49 | 46 | 86 | 56 |
| Australia | 36 | 90 | 51 | 61 |
| Brazil | 69 | 38 | 76 | 49 |
| Canada* | 39 | 80 | 48 | 52 |
| Chile | 63 | 23 | 86 | 28 |
| China | 80 | 20 | 30 | 66 |
| Colombia | 67 | 13 | 80 | 64 |
| Denmark | 18 | 74 | 23 | 16 |
| France | 68 | 71 | 86 | 43 |
| Germany | 35 | 67 | 65 | 66 |
| Greece | 60 | 35 | 112 | 57 |
| Indonesia | 78 | 14 | 48 | 46 |
| India | 77 | 48 | 40 | 56 |
| Iran | 58 | 41 | 59 | 43 |
| Israel | 13 | 54 | 81 | 47 |
| Italy | 50 | 76 | 75 | 70 |
| Japan | 54 | 46 | 92 | 95 |
| Korea (South) | 60 | 18 | 85 | 39 |
| Malaysia | 104 | 26 | 36 | 50 |
| Mexico | 81 | 30 | 82 | 69 |
| Netherlands | 38 | 80 | 53 | 14 |
| Philippines | 94 | 32 | 44 | 64 |
| Poland | 68 | 60 | 93 | 64 |
| Portugal | 63 | 27 | 104 | 31 |
| Russia | 93 | 39 | 95 | 36 |
| Singapore | 74 | 20 | 8 | 48 |
| Spain | 57 | 51 | 86 | 42 |
| Sweden | 31 | 71 | 29 | 5 |
| United Kingdom | 35 | 89 | 35 | 66 |
| United States | 40 | 91 | 46 | 62 |
| Mean | 58.4 | 49.0 | 64.5 | 50.2 |
| Median | 60 | 46 | 70 | 51 |

Source: Geert Hofstede, *Culture's Consequences: International Differences in Work-Related Values*, 1980, Beverly Hills, CA: Sage.

*English-speaking part

The Globe Group Eight Dimensions

Individualism & Collectivism

This dimension deals with the level of independence and interdependence that people in society possess and encourage. **Individualism** refers to a mind-set that prioritizes independence more highly than interdependence, emphasizing individual goals over group goals, and valuing choice more than obligation. By contrast, **collectivism** refers to a mind-set that prioritizes interdependence

more highly than independence, emphasizing group goals over individual goals, and valuing obligation more than choice.

Individualists view themselves as distinct and separate from their family members, friends, and colleagues. They pursue their own dreams and goals, even when it means spending less time with family members and friends. They also leave relationships when they are no longer mutually satisfying, beneficial, or convenient. Decision making tends to be based on an individual's needs. On the other hand, collectivists view themselves as interdependent—forming an identity inseparable from that of their family members, friends, and other groups. They tend to follow the perceived dreams and goals of the group as a matter of duty and obligation, even when it means sacrificing their own hopes and ambitions.

Egalitarianism & Hierarchy

All cultures develop norms for how power is distributed. In **egalitarian** cultures, people tend to distribute and share power evenly, minimize status differences, and minimize special privileges and opportunities for people just because they have higher authority. In **hierarchical** cultures, people expect power differences, follow leaders without questioning them, and feel comfortable with leaders receiving special privileges and opportunities. Power tends to be concentrated at the top. In egalitarian organizations, leaders avoid command-and-control approaches and lead with participatory and open management styles. Competence is highly valued in positions of authority. People of all ranks are encouraged to voice their opinions. By contrast, in hierarchical organizations, leaders expect employees to fall in line with their policies and decisions by virtue of their authority. Employees are discouraged from openly challenging leaders.

Performance Orientation (PO)

Is “the extent to which a community encourages and rewards innovation, high standards, and performance improvement.” Of all cultural dimensions, societies cherish this one the most, especially in business. Yet many cultures are still developing a performance orientation. 37 To some degree, the distinctions between high PO and low PO cultures are captured in the phrase *living to work versus working to live*. The cultures of Far Eastern Asia, Western Europe, and North America are particularly high in performance orientation. For example, professionals in higher PO cultures often perceive members of lower PO cultures as not prioritizing results, accountability, and deadlines. By contrast, members of lower PO cultures often perceive members of higher PO cultures as impatient and even obsessed with short-term results. Some cultures that are midrange PO cultures such as China and India are rapidly developing PO orientations in work culture. Each of these countries has implemented major economic reforms in recent decades and is achieving stunning economic growth. These countries increasingly have companies and workforces that adopt norms and policies promoting innovation, improvement, and accountability systems.

Future Orientation (FO)

Involves the degree to which cultures are willing to sacrifice current wants to achieve future needs. Cultures with low FO (or present-oriented cultures) tend to enjoy being in the moment and spontaneity. They are less anxious about the future and often avoid the planning and sacrifices necessary to reach future goals.

By contrast, cultures with high FO are imaginative about the future and have the discipline to carefully plan for and sacrifice current needs and wants to reach future goals. In future-oriented societies, many organizations create long-term strategies and business plans. Furthermore, they use these strategies and plans to guide their short-term business activities. By contrast, in present-oriented societies, organizations are less likely to develop clear long-term strategies and business plans. Moreover, they rarely focus short-term activities on long-term plans, even when they exist. Future orientation within organizations is a strong predictor of financial performance. High FO cultures plan extensively for crises and unforeseen contingencies, whereas low FO cultures take events as they occur

Assertiveness

The level of directness in speech varies greatly across cultures, and this can lead to miscommunication, misinterpretation of motivations, and hard feelings. The cultural dimension of **assertiveness** deals with the level of confrontation and directness that is considered appropriate and productive. 41 Typically, North Americans and Western Europeans are the most assertive in business situations, whereas Asians tend to be less assertive. The mentality of “say it how it is,” “cut to the chase, and “don’t sugarcoat it” is emblematic of high assertiveness. Members of highly assertive cultures often view members of less-assertive cultures as timid, unenthusiastic, uncommitted, and even dishonest, since they withhold or temper their comments. On the other hand, members of less-assertive cultures often view members of highly assertive cultures as rude, non-tactful, inconsiderate, and even uncivilized.

Humane Orientation (HO)

Is “the degree to which an organization or society encourages and rewards individuals for being fair, altruistic, friendly, generous, caring, and kind.” In high HO cultures, people demonstrate that others belong and are welcome. Concern extends to all people—friends and strangers—and nature. People provide social support to each other and are urged to be sensitive to all forms of unfairness, unkindness, and discrimination. Companies and shareholders emphasize social responsibility, and leaders are expected to be generous and compassionate. In low HO cultures, the values of pleasure, comfort, and self-enjoyment take precedence over displays of generosity and kindness. People extend material, financial, and social support to a close circle of friends and family. Society members are expected to solve personal problems on their own. Companies and shareholders focus primarily on financial profits, and leaders are not expected to be generous or compassionate.

Uncertainty Avoidance (UA)

Refers to how cultures socialize members to feel in uncertain, novel, surprising, or extraordinary situations. In high UA cultures, people feel uncomfortable with uncertainty and seek orderliness, consistency, structure, and formalized procedures. People in high UA cultures often stress orderliness and consistency, even if it means sacrificing experimentation and innovation. They prefer that expectations are clear and spelled out precisely in the form of instructions and rules.

People in high UA cultures prefer tasks with sure outcomes and minimal risk. They also show more resistance to change and less tolerance for breaking rules. In low UA cultures, people feel comfortable with uncertainty. In fact, they may even thrive, since they prefer tasks that involve uncertain outcomes, calculated risks, and problem solving and experimentation. They often view rules and procedures as hindering creativity and innovation. Members of low UA cultures develop trust more quickly with people from other groups and tend to be more informal in their interactions. They also show less resistance to change, less desire to establish rules to dictate behavior, and more tolerance for breaking rules

Gender Egalitarianism

Deals with the division of roles between men and women in society. In high gender-egalitarianism cultures, men and women are encouraged to occupy the same professional roles and leadership positions. Women are included equally in decision making. In low gender-egalitarianism cultures, men and women are expected to occupy different roles in society. Typically, women have less influence in professional decision making. However, in societies where gender roles are highly distinct, women often have powerful roles in family decision making. Traditionally, nearly all cultures afforded low professional status to women. In recent decades, however, women have increasingly gained opportunity and status in many cultures. When Ghosn arrived at Nissan, only 1 percent of managers were women. He quickly made it a goal to increase the number of female managers. Now, 5 percent of the managers at Nissan are women, and the goal is to reach 10 percent in the near future.

Gender egalitarianism relates not only to equal professional opportunity for men and women, but also to expectations and customs about how men and women should communicate. Growing up, for example, Ghosn was accustomed to letting women walk through doors first. Yet, in Japan, the tradition is for men to enter doors and elevators first. Ghosn discussed how entering elevators in Japan before women remained uncomfortable for a long time due to his expectations about gender roles.

All information about The Globe Group Eight Dimensions was taken from the below McGraw Hill Higher Education sample chapter available online. Additional information is available from this sample chapter about the Charts and details of the number categories. It is recommend reviewing for more detail. Provided by highered.mheducation.com/sites/dl/free/0073403199/981801/Sample_Chapter_4.pdf

Preferred Priorities for Work Cultures around the World

| Brazil | | China | | France | |
|--------------------------------|--|--------------------------------|--|--------------------------------|--|
| 1. Performance orientation | | 1. Performance orientation | | 1. Performance orientation | |
| 2. Future orientation | | 2. Assertiveness | | 2. Humane orientation | |
| 3. Organizational collectivism | | 3. Humane orientation | | 3. Collectivism | |
| 4. Humane orientation | | 4. Uncertainty avoidance | | 4. Future orientation | |
| 5. Collectivism | | 5. Collectivism | | 5. Organizational collectivism | |
| 6. Uncertainty avoidance | | 6. Future orientation | | 6. Uncertainty avoidance | |
| 7. Assertiveness | | 7. Organizational collectivism | | 7. Assertiveness | |
| 8. Hierarchy | | 8. Hierarchy | | 8. Hierarchy | |
| Germany | | Hong Kong | | Italy | |
| 1. Performance orientation | | 1. Performance orientation | | 1. Performance orientation | |
| 2. Humane orientation | | 2. Future orientation | | 2. Future orientation | |
| 3. Collectivism | | 3. Humane orientation | | 3. Collectivism | |
| 4. Organizational collectivism | | 4. Collectivism | | 4. Humane orientation | |
| 5. Future orientation | | 5. Assertiveness | | 5. Organizational collectivism | |
| 6. Uncertainty avoidance | | 6. Uncertainty avoidance | | 6. Uncertainty avoidance | |
| 7. Assertiveness | | 7. Organizational collectivism | | 7. Assertiveness | |
| 8. Hierarchy | | 8. Hierarchy | | 8. Hierarchy | |
| Japan | | Mexico | | Netherlands | |
| 1. Assertiveness | | 1. Performance orientation | | 1. Performance orientation | |
| 2. Humane orientation | | 2. Collectivism | | 2. Humane orientation | |
| 3. Collectivism | | 3. Future orientation | | 3. Collectivism | |
| 4. Future orientation | | 4. Uncertainty avoidance | | 4. Future orientation | |
| 5. Performance orientation | | 5. Humane orientation | | 5. Organizational collectivism | |
| 6. Uncertainty avoidance | | 6. Organizational collectivism | | 6. Uncertainty avoidance | |
| 7. Organizational collectivism | | 7. Assertiveness | | 7. Assertiveness | |
| 8. Hierarchy | | 8. Hierarchy | | 8. Hierarchy | |
| South Korea | | United Kingdom | | United States | |
| 1. Future orientation | | 1. Performance orientation | | 1. Performance orientation | |
| 2. Humane orientation | | 2. Collectivism | | 2. Collectivism | |
| 3. Collectivism | | 3. Humane orientation | | 3. Humane orientation | |
| 4. Performance orientation | | 4. Future orientation | | 4. Future orientation | |
| 5. Uncertainty avoidance | | 5. Organizational collectivism | | 5. Assertiveness | |
| 6. Organizational collectivism | | 6. Uncertainty avoidance | | 6. Organizational collectivism | |
| 7. Assertiveness | | 7. Assertiveness | | 7. Uncertainty avoidance | |
| 8. Hierarchy | | 8. Hierarchy | | 8. Hierarchy | |

Source: Based on GLOBE study of work values among business managers in 62 countries.
 Notes: Performance orientation is the most valued dimension in nearly all work cultures (in green shade).
 Hierarchy is the least valued dimension in all work cultures (in light blue shade).
 Humane orientation is highly valued among most cultures (in red shade).

Key Takeaway

Cultures have distinct orientations, values and priorities. Consider the implications of these similarities or differences on your intercultural and international business communication strategies.

Exercises

1. Choose a country of interest to you (Brazil, Mexico, China, France, Germany, Italy, Netherlands, Japan, United Kingdom or South Korea) and analyze their cultural dimensions using Hofstede's Cultural Value Scores. What dimension is deemed highest? Lowest? Based on your findings, what communication practices do you think may be most effective when working with individuals from this country?

Power Distance Individualism/Collectivism Uncertainty Avoidance Masculinity/Femininity

Now compare the same country to The Globe's study of managers from 62 countries on preferred priorities for work cultures around the World. Are your findings similar or different? Does this change your communication strategy?

Individualism/Collectivism Organizational Collectivism Hierarchy Performance Orientation
Future Orientation Assertiveness Humane orientation Uncertainty avoidance

2. Interview a Business professional with International experience:

- Communication strategies – nonverbal, oral and writing
- Etiquette and customs of dominant culture they interact
- Conducting meetings
- Managing language barriers
- Adjusting to life in another country
- Negotiation style and approach
- Resolution strategies

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