

Strategic Management Assignment 1 2017 –Evaluation of the importance of relationship building in IBC



DECEMBER 2017

MODULE NAME: INTERNATIONAL BUSINESS COMMUNICATIONS (M3X9089)

PROJECT NAME: BUSINESS MANAGEMENT

NAME: WANG HAOYANG

STUDENT NUMBER: 1703238

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
1.1	HOFSTEDE'S 6 CULTURAL DIMENSIONS.....	1
1.2	TROMPENAARS AND HAMPDEN-TURNER'S 7 DIMENSION OF CULTURE.....	1
1.3	HIGH CONTEXT AND LOW CONTEXT COMMUNICATION.....	2
2.0	MAIN BODY.....	3
2.1	COLLECTIVISM VERSUS INDIVIDUALISM.....	3
2.1.1	INTRODUCTION.....	3
2.1.2	APPLICATION WITH CONTEXT COMMUNICATION.....	3
2.2	UNIVERSALISM VS. PARTICULARISM.....	4
2.2.1	INTRODUCTION.....	4
2.2.2	APPLICATION WITH CONTEXT COMMUNICATION.....	4
2.3	NEUTRAL VERSUS EMOTIONAL.....	5
2.3.1	INTRODUCTION.....	5
2.3.2	APPLICATION WITH CONTEXT COMMUNICATION.....	5
3.0	CONCLUSION.....	6
4.0	REFERENCES.....	7

1.0 Introduction

This essay first introduces Hofstede's 6 cultural dimensions and Trompenaars and Hampden-Turner's 7 Dimension of Culture, combined with the high and low context communication, analyses and compares the cultural differences between the United States, Britain, China, Japan and Mexico. For different cultural differences and contextual differences, this essay analyses the degree of building relationship in different country for IBC professionals. And based on the above analysis, this article gives IBC professionals some business communication skills.

1.1 Hofstede's 6 cultural dimensions

Hofstede's cultural dimension theory is a cross-cultural communication framework. It was developed by Geert Hofstede. It uses six factors to analyze the impact of social culture on member values and the relationship between these values and behaviors (Blessing, A.; Lawrence, T., 2014). These six factors are (hofstede-insights, 2018):

- 1) Power distance index
- 2) Individualism versus collectivism
- 3) Masculinity versus femininity
- 4) Uncertainty avoidance index
- 5) Long term orientation versus short term normative orientation
- 6) Indulgence versus restraint

1.2 Trompenaars and Hampden-Turner's 7 Dimension of Culture

In the book "Riding the Waves of Culture", Charles Hampden-Turner and Fons Trompenaars found seven cultural differences through research and analysis, and identified seven value dimensions through these seven differences (Hampden-Turner, C., Trompenaars, F., 1997):

- 1) Universalism and Specialism
- 2) Communitarianism and Individuals
- 3) Neutrality and Emotions
- 4) Dissolution and Specific Culture
- 5) Achievement and Attribution
- 6) Relationship between Persons
- 7) Relationship between Human and Nature

1.3 High context and low context communication

The anthropologist Edward T. Hall proposed the concept of high and low context in his 1976 book “Beyond Culture”, which refers to the way of cultural exchange. In high situational culture, many things are unspoken and left to be interpreted by the culture. Because a few words can effectively convey complex meanings to insiders, the selection of words and words is important in high-context cultures, whereas in low-context cultures, the communicator needs to be more specific Convey the meaning of words, while the importance of a single word in the low context culture is relatively low (Hall, E., 1977).

2.0 Main body

Relationship building is a skill of international business communication. But the methods are different when facing countries with different culture. It is very important to understand 7 dimensions of culture of different countries. The trust is basis of relationship building, but different countries has different culture, so the approach of trust building is different too.

2.1 Collectivism versus individualism

2.1.1 Introduction

Collectivism encompasses a whole society, uniting people into a powerful group, and I protecting the interests of everyone in this way in order to gain people's loyalty (Hofstede, G., 1994).

Contrary to collectivism, individualism is more concerned with the interests of itself and immediate family members than with the rest of society (Geert, H., 1994).

2.1.2 Application with context communication

People are willing to give priority to their personality compared to their collective goals which need to obey. For example, China is a country of collectivism culture. People advocate that collective interests are more important than something else. People are more inclined to the success of a group than to their own needs (<http://www.via-web.de/individualism-versus-collectivism>). While the United States is a country of individualist culture, people also hope to achieve success through their own efforts. The achievements of people value and successes of individuals as same as they make outstanding contributions in the world and become as prominent, unique and distinctive as others. In China, collective opinion cannot be ignored.

Therefore, when establishing business relations with the Chinese people, they should give more consideration to the opinions of collective or choose a more intimate environment in order to protect each other and prevent each other Lose face. Conversely, it is important that how to highlight individual values when communicating with Americans. Different cultural environments lead to many different techniques in international business communication.

China is a country with a high context culture, while the United States is a country with a low context culture. When communicating, it should pay attention to different ways of speaking. When communicating with the Chinese, it is more tactful to express ideas rather than directly, for example, to say directly to the Chinese people what benefits the cooperation will bring to you and

your own company, which makes them feel very reckless and unreliable. And when communicating with Americans, low-context cultures tend to express their meaning more directly because it will make it easier for them to understand what you mean and thus establish a business relationship successfully.

2.2 Universalism vs. Particularism

2.2.1 Introduction

Universalist cultures place more emphasis on rules, believing that rules and treaties apply under all circumstances.

Countries with particularism cultures often decide on the application of ideas and practices according to different situations. Not all places can do the same thing.

2.2.2 Application with context communication

For example, the United Kingdom is a multi-ethnic and multicultural country. Not all British people are English, Welsh, Scots and Northern Ireland have their own language, and they are proud of their own history and tradition. And in the UK, people follow strict rules and contracts, believing that a deal is a deal. China is a country of particularism culture. In China, laws are often amended. People do not blindly do the same things. People will adopt different coping styles according to different situations.

Therefore, it is very important to strictly observe the contract when establishing a cooperative relationship with the British people. This can help the company to establish a trust relationship better when it conducts cross-border communication and cooperation with Britain so as to successfully complete the establishment of international relationship. Conversely, failure to comply strictly with the contract will result in the failure of international relations. Because it is difficult to establish the trust in relationships, and trust is the foundation of the relationship building. So when establishing a cooperative relationship with the Chinese, do not blindly uphold their own views without compromising.

In terms of communication skills, both the UK and China are high-context culture countries, so refrain from using absolute statements when communicating with Chinese and English because it makes them feel rude. Polite communication style will promote the further establishment of the relationship.

2.3 Neutral versus emotional

2.3.1 Introduction

People in neutral cultures tend to hide their emotions rather than publicly. Neutral cultures do not directly express what they really think, which can lead to misunderstandings and certain emotions are considered inappropriate in some cases. The objectivity and rationality of not influencing emotions in decision-making is also important.

Emotional-cultural people in the country express themselves more natural, they do not avoid physical contact, especially the well-known Italians and Spaniards, who are passionate and loud

2.3.2 Application with context communication

For example, Japan is a country which has neutral culture. People in neutral cultures usually do not express emotions and opinions directly, because they think they express their emotions in some situations are not appropriate what makes them seem calm, and sometimes be considered indifferent. They care about physical contact or excessive body language. In the decision-making process, pay more attention to the analysis of logic than emotion (Supraner, L., 2010).

Mexico is an emotional-cultural country. In the emotional-cultural countries, emotions can be expressed spontaneously and openly. People smile loudly and excitedly, greeting each other enthusiastically, expressing their emotions under any circumstances and accepting exaggerated movements and physical contact.

When people in emotional cultural nations establish business relationships in neutral cultures countries, they should realize that lack of emotion does not mean being uninteresting or boring, but that people from neutral cultures do not like to show off their emotions. Conversely, when people from neutral cultures do business in emotional culture countries, they should not feel irritated when they express their emotions, and they should try to respond to each other's feelings (Trompenaars analysis of Mexico, 2011). Otherwise, It is easy to produce misunderstandings and conflicts lead to the failure of relationship building.

3.0 Conclusion

For individualism and collectivism, the United States belongs to individualism but China is collectivism. Therefore, when doing business with the Chinese people, they should pay more attention to collective interests. However, they should pay more attention to individual performance when they conduct commercial exchanges with the Americans.

For universalism and particularism, the United Kingdom firmly believes that a deal is a deal, but China will be based on different circumstances to modify the contract and get along. So for the UK, the establishment of private relations is not so important, but Chinese people like to talk privately in private space for business. Establishing friends and other intimate relationships with the Chinese can help with business communication.

For neutral versus emotional, And Japanese in business communication, we should understand each other is not good at expressing the characteristics of the feelings. But in communicating with Mexicans, you should try to respond to the warmth of each other's emotions.

Finally, because the United States is a low-context country, Japan and China are high-context countries, while Britain is in the middle. Therefore, we should adopt a straightforward way to communicate with the United States. However, when communicating with countries such as Japan, we should tactfully express our needs and appreciate each other's feelings.

The article analyzes the cultural differences between several countries through different cultural dimensions. After the combination of high-context and low-context communication, the paper gives a comprehensive description of different international business communication methods and shows that the degree of the importance of relationship building can change due to different national cultures. Because trust is the foundation upon which good relations are built, the ways to build trust in countries facing different cultures and different modes of communication can also be different. Therefore, IBC professionals need to adopt different communication skills according to different situations, so as to achieve the success of communication and the smooth business cooperation.

4.0 References

Hofstede Insights(2017) *The 6 dimensions of national culture*. <https://www.hofstede-insights.com/models/national-culture/> (Accessed: 1 December 2017)

Hampden-Turner,C. and Trompenaars,F.(1997) *Riding the Waves of Culture: Understanding Diversity in Global Business*. 2nd edn. America: Nicholas Brealey Publishing.

Hall,E.(1977) *Beyond Culture*. America: Anchor Books

Hofstede,G., Minkov,M.(1994) *Cultures and Organizations – Intercultural Cooperation and its importance for survival*. 3rd ed. America: McGraw-Hill, pp:260.

Hofstede,G., Minkov,M.(1994) *Cultures and Organizations – Intercultural Cooperation and its importance for survival*. 3rd ed. America: McGraw-Hill, pp:261.

Unknown author.(2017) *Individualism versus collectivism*. <http://www.via-web.de/individualism-versus-collectivism/> (Accessed: 2 December 2017)

Supraner,L (2010) *GETTING ANGRY AT WORK: AFFECTIVE AND NEUTRAL CULTURES*. <http://www.callearning.com/blog/2010/06/getting-angry-at-work-affective-and-neutral-cultures/> (Accessed: 3 December 2017)

Unknown author.(2011) *Trompenaars analysis of Mexico*. <http://flgconsulting.skyrock.com/2990135967-Trompenaars-analysis-of-Mexico.html> (Accessed: 3 December 2017)