

Doing Business with Malaysian

——cultural differences between Malaysia and the UK

1 introduction

This paper analyzes the culture of Malaysia through Hofstede's cultural dimension model and compares it with British culture. Then, based on the cultural differences between the two countries, we analyzed the differences in business behaviors caused by cultural differences and explained the challenges and opportunities of doing business with Malaysians under the British perspective.

2 Hofstede's cultural dimension model

Research on cultural differences between countries is always difficult to reach an accurate level. This is because the continuous development and changes in society have resulted in the complication of cultural differences. In this case, despite the limitations of Hofstede's cultural dimension model, the model still contributes to the vast majority of intercultural communication studies.

2.1 Definition

Hofstede's cultural dimensions theory is a framework for cross-cultural communication, developed by Geert Hofstede. It describes the effects of a society's culture on the values of its members (Adeoye, 2014). Beginning in 1967, Hofstede conducted an original study of the model among different employees in 67 countries and proposed the original four-dimension theoretical framework. Later, in 2010, Hofstede added a sixth cultural dimension. Hofstede's six cultural dimension model is widely used in cross-cultural research.

Hofstede's cultural dimension model has six dimensions: Individualism versus Collectivism, Large versus Small Power Distance, Strong versus Weak Uncertainty Avoidance, Masculinity versus Femininity, Long Term versus Short Term Orientation, Indulgence versus Restraint.

- Individualism versus Collectivism

Individualism stands for a preference for a loosely social framework in society and individuals are supposed to take care of themselves and their immediate families only. On the contrary, collectivism stands for a preference for a tightly social framework and individuals can expect their relatives, clan, or other in-group to

look after them in order to exchange for unquestioning loyalty. The fundamental issue addressed by this dimension is the degree of interdependence a society maintains among individuals (Hofstede, 1984).

- Large versus Small Power Distance

Power Distance is the extent to which the members of a society accept that power in institutions and organizations is distributed unequally. People in large power distance societies accept a hierarchical order and believe that everybody has a right to perform without further justification. People in small power distance societies strive for power equalization and demand justification for power inequalities. The fundamental problem solved by this dimension is how a society deals with the inequities that people experience. This has a clear effect on the way people build institutions and organizations (Hofstede, 1984).

- Strong versus Weak Uncertainty Avoidance

For Hofstede, uncertainty avoidance is the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The highly scored societies in this index have chosen strict codes of behaviour, guidelines and laws and often rely on absolute truth. The low degree of this index means more acceptance of different ideas. Societies tend to impose fewer rules and the environment is more free-flowing (Hofstede, 1991).

- Masculinity versus Femininity

Masculinity stands for “a preference in society for achievement, heroism, assertiveness and material rewards for success.” Its opposite represents “a preference for cooperation, modesty, caring for the weak and quality of life” (Hofstede, 1984). This fundamental issue addressed by this dimension is the way in which a society allocates social roles to the sexes.

- Long Term versus Short Term Orientation

This dimension is related to the choice of focus for people's efforts: the future or the present and past (Hofstede, 2011). Short-term oriented culture shows that tradition is respected and preserved, and firmness is important. While people in Long-term oriented society believe that what is good and evil depends upon the circumstances.

- Indulgence versus Restraint

This dimension is related to the gratification versus control of basic human desires related to enjoying life. Indulgence stands for “a society that allows relatively free gratification of basic and natural human desires related to enjoying life and having fun”. Restraint is defined as “a society that controls gratification of needs and regulates it by means of strict social norms” (Hofstede, 2011).

2.2 Importance and limitation

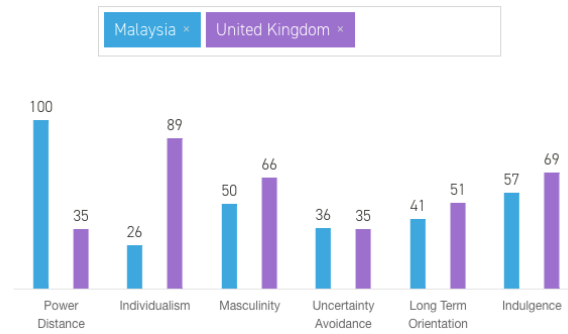
The strength of the Hofstede model is the clear and consistent identification of cultural differences. It juxtaposes one culture with another through a cultural dimension to promote cross-cultural comparisons. It provides a practical framework for understanding national cultures. In fact, not only scholars but also managers can use Hofstede's cultural dimension to study and solve culture-related management issues. This is a manifestation of Hofstede's influence and importance.

However, the Hofstede theory focusing on cultural differences can hardly capture the new changes and paradoxes of intercultural management such as distance learning, knowledge transfer and information synchronization sharing (Fang, 2010). People in the twenty-first century are no longer bipolarized and isolated creatures, but affected by multicultural identity and multiculturalism. It is incorrect to define the culture of a country or region easily with a single and extreme concept.

3 Six dimension of Malaysian culture (compare to the UK)

Malaysia is a multi-ethnic and multicultural country. Malayan culture is a multi-ethnic culture that combines the cultural characteristics of Malay, Chinese, Indian and other indigenous peoples. Based on the fact that Malay is the majority of Malaysian population, Malay ethnic culture is Malaysian backbone, followed by other ethnic cultures. Malaysian culture also incorporates some of the cultural colours of Persia, Arabia and Europe because of the colonization.

According to Hofstede's scoring on different national cultures in six dimensions, I would compare the value of Malaysia and Britain in six dimensions.



<https://www.hofstede-insights.com/country-comparison/malaysia,the-uk/>

3.1 Large power distance and collectivism in Malaysia

As can be seen from the data, in the first and second dimensions, Malaysia clearly demonstrated its tendency for large power distance and collectivism, in contrast to the United Kingdom. In addition to Malaysia, among the 76 countries studied by Hofstede, the power distance index tends to be higher for East European, Latin, Asian and African countries and lower for Germanic and English-speaking Western countries. Through significant numerical differences between the two countries in those two indexes, it is easy to conclude that the two countries have totally opposite values in this dimension.

There is a big difference between the British view of power and that of Malaysia. Britain does not value power but they pay more attention to personal ability. This makes their pursuit of power inferior to that of Malaysia. Malaysia, because of the state system, focuses on the binding power. As a result, Malaysian institutions, whether government departments or enterprises, are more or less affected by power (Kahn, 1998).

3.2 Weak uncertainty avoidance and short-term orientation in Malaysia

In this cultural dimension, there is not much difference between the index of the two countries. This shows that both the United Kingdom and Malaysia have demonstrated weak uncertainty avoidance and short-term orientation.

Malaysian cultural societies are capable of coping with equivocality without psychological pressure and are more tolerant of abnormal behaviors and opinions. They have fewer rules and regulations, and they allow different opinions both in philosophy and religion (Young, Hasan and Bussink, 1980). People in Malaysia are more quiet, more supportive, flexible and lazy. People cannot emotionally accept written laws and

regulations. Unless absolutely necessary, the society will not easily legislate. In addition, Malaysian culture tolerates a wide range of ideas which are conducive to generating some fundamental ideas of innovation. But they are not good at putting these ideas into practice.

3.3 Masculinity and indulgence in the UK

In these two cultural dimensions, Malaysian culture did not show a clear tendency while British culture tended to be masculine and indulgent.

In the British masculine society, social competition is strong and the community encourages and appreciates the workaholic. Its culture emphasizes fairness, competition and work performance. It believes that "life is short, and we should speed up our efforts to achieve more results." The view of life is that "living is for work".

4 Business culture differences —— challenges and opportunities

4.1 Power distance

Among Malaysian companies, the power is highly concentrated and the hierarchy is strictly characterized. Senior management needs to make a lot of decisions, and his authority cannot be easily questioned. In countries with a low index of power distance such as the UK, the relationship between the top and bottom of the organization is more equal. Organization members pay more attention to teamwork, which makes more people involved in the decision-making process. The British advocate to solve the problem through consultation. They think the relationship between the subordinate and the boss is interdependent. Subordinates can easily approach the boss, and put forward different views with the boss (Weiss, 2009).

Under such circumstances, it is a great challenge for British business organizations to avoid making direct and face-to-face questioning of the senior management from Malaysian companies. Because Malaysians are very sensitive to "face-saving" issues. When negotiating with a Malaysian businessman, raising objections would undermine the harmonious atmosphere of the meeting and would be considered as an arrogant manifestation. It may be a good idea to mention in a modest way in casual occasions or one-on-one conversations.

Of course, this difference also brings opportunities or benefits to British businessmen. In the culture of small distance power in Britain, organizations often spend a lot of time in decision-making because one decision needs to be affirmed by many levels of people. However, in Malaysia, the result is often decided by one manager. Trying to get that person's approval may effectively save negotiation time and increase the possibility of success.

4.2 Collectivism

In Malaysia, the collectivism tends to be more pronounced. Therefore, Malaysian managers pay more attention to the importance of internal solidarity in their management of employees and actively encourage them to be loyal to the business in order to increase their sense of identity and attachment to the business. While UK employees place more emphasis on individual performance in team projects. In addition, the British tend to separate private life and work, and do not want to talk too much about private life in the workplace (Nguyen, 2005).

Therefore, it is a challenge to avoid loafing on the job in the team when the British manage Malaysian employees. Because the lack of encouragement of individual achievement makes employees easily lose motivation and initiative. On the other hand, the unavoidable topic of private life is also a challenge. Malaysian businessmen are willing to talk about family and relationships. The absence of such topics alienates the relationship between the two sides. Therefore, being able to participate properly and simply introducing your family situation are the way to build up good relationship with them.

In addition, showing interest or recognition in Malaysian culture is an opportunity to increase goodwill and build good relationships. To Malaysians, the identification of group values is also a sign of confidence in individuals. So this is an effective way to promote the relationship without embarrassment.

4.3 Masculinity

In a masculine culture, Britons show more ambition and aggression in their business than Malaysians. Malaysians emphasize that interpersonal relationships are more important than material achievements. At the same time, they are also highly sensitive to functional differences between the sexes.

However, British businessmen should avoid being too aggressively in business communications. Too much stress on the success of the performance can be invasive and make Malaysians uncomfortable. Because of the convergence and conservative elements of British culture, especially those affected by gentry culture, it may be difficult for them to break the psychological barrier.

5 Importance of culture awareness in doing business

- The influence of culture on the way of interpersonal communication in business activities is quite obvious. In international business communications, business people from a low-context culture often ask business people from high contexts to interpret what's behind the discourse.
- Culture has a great influence on organization structure and business decisions. In different business culture, understanding the organizational structure and operating system of an enterprise is of great significance to international business people. It largely determines how to communicate with the business and even determines the effectiveness of business engagement with the company.
- Culture also has an impact on management style. Asian management style emphasizes unity and harmony, while the management style in Europe and the United States is more personalized (Schutte, 1998).

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