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Module code: LCBB6023

ACHIEVING A SUCCESSFUL UK-CHINA STRATEGIC PARTNERSHIP FOR ASTRAZENECA

Outline of the Presentation

What culture means in international business

Theoretical frameworks (Hofstede, Hall)

Key Chinese cultural elements affecting negotiations

AstraZeneca's China context

Negotiation strategies for a successful partnership

Importance of cultural awareness and adaptability

Conclusion and references

Purpose: Show the Board a clear, business-focused roadmap

What Culture Is and Why It Matters

Key points:

Culture as shared values, norms, behaviours shaping how groups act.

In negotiations, culture influences trust, communication, decision-making, and risk tolerance.

For AstraZeneca, cultural understanding is essential because China is a long-term strategic market with deep government involvement and relationship-driven business norms.

Purpose: Connect culture directly to AstraZeneca's operational reality in China.

Elements of Culture Relevant to Business

Power distance — acceptance of hierarchy and authority.

Collectivism — group harmony over individual expression.

Long-term orientation — preference for gradual, sustainable partnerships.

High-context communication — indirect, relationship-based messaging.

Face (mianzi) — importance of respect, reputation, and avoiding embarrassment.

Purpose: Highlight the cultural levers that will shape AstraZeneca's negotiation environment

Dimension	UK	China	Negotiation Impact
Power distance	Low	High	Chinese partners expect seniority alignment and formal protocol.
Individualism	Very high	Collectivist	Group consensus matters more than individual opinions.
Uncertainty Avoidance	Moderate	Lower	China prefers gradual trust-building andphased commitements
Long-term orientation	Moderate	Very high	Chinese partners value multi-decade cooperation, not short-term wins.



Hall's High-Context vs Low-Context Communication



China (high-context): meaning conveyed through relationships, tone, silence, and non-verbal cues.



UK (low-context): direct, explicit communication.



Impact on AstraZeneca:

Chinese partners may avoid saying "no" directly.

Silence may signal disagreement or need for internal consultation.

Written contracts matter, but relationships matter more.



Purpose: Prepare the Board for communication differences that could be misinterpreted.

AstraZeneca's Strategic Position in China

Use recent developments to anchor the presentation:

AstraZeneca announced **\$15 billion investment in China through 2030** to expand R&D and manufacturing.

The company is **deepening partnerships** with Chinese authorities and institutions, including collaborations with Beijing and Cambridge University.

AstraZeneca's medicines developed in China have **doubled in recent years**, showing China's importance as an innovation hub.

Purpose: Show the Board that cultural competence is not optional—China is a core strategic pillar.

Chinese Cultural Elements AstraZeneca Must Navigate

Hierarchy: Decisions made at senior levels; junior staff rarely contradict leaders.

Guanxi (relationships): Trust built through long-term personal and institutional ties.

Face: Avoid public criticism; disagreements handled privately.

Consensus decision-making: Slower but more stable once agreed.

Government involvement: Regulatory and political actors influence partnerships.

Purpose: Identify the cultural and structural realities that shape negotiations.



How These Elements Affect AstraZeneca's Negotiations

Longer timelines: Internal consultation and government coordination extend decision cycles.

Indirect communication: Misreading signals can lead to negotiation breakdowns.

Phased agreements: Preference for pilots, joint labs, or co-development before full-scale deals.

Reputation sensitivity: Mismanaging face can damage long-term access to China's healthcare ecosystem.

Purpose: Make risks and operational impacts explicit for the Board.

Negotiation Strategies for a Successful AstraZeneca–China Partnership

Align seniority: Ensure UK delegation includes executives matching Chinese hierarchy expectations.

Invest in guanxi: Regular visits, joint workshops, and participation in Chinese innovation forums.

Adopt a relationship-first approach: Begin with collaboration discussions, not contract terms.

Use indirect, respectful pressuring for immediate decisions.

Propose phased cooperation: Joint R&D centers, pilot manufacturing projects, or co-innovation programs.

Demonstrate long-term commitment: Reinforce AstraZeneca's 2030 China investment vision.

Purpose: Provide the Board with a concrete, culturally aligned negotiation plan



Building Trust, Protecting Face, and Managing Stakeholders

Continuity of negotiation team: Shows reliability and long-term intent.

Face-sensitive behaviour: Praise publicly, critique privately.

Government engagement: Maintain respectful, protocol-driven interactions with regulators.

Symbolic gestures: Acknowledge Chinese festivals, milestones, and achievements.

Joint problem-solving: Frame disagreements as shared challenges, not confrontations.

Purpose: Show how AstraZeneca can avoid cultural missteps and build durable partnerships.

Cultural Awareness & Adaptability

Cultural training for UK teams

Flexible negotiation playbook

Internal debriefs after each negotiation round

Cultural competence as a strategic advantage

Supports long-term success in China's healthcare ecosystem

The background of the slide is a dark blue surface with a network of white human figures. Each figure is placed on a small dark blue circular base. These bases are interconnected by a web of thin black lines, creating a complex network pattern across the entire slide. The figures are stylized, white, and appear to be standing on the surface.

Conclusion

Cultural differences between the UK and China are significant but manageable.

AstraZeneca's success in China depends on relationship-building, respect for hierarchy, and long-term orientation.

A culturally informed negotiation strategy increases the likelihood of securing sustainable, high-value partnerships.

With China being a major investment and innovation hub for AstraZeneca, cultural competence is a strategic necessity.

References

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