



INTERNATIONAL BUSINESS COMMUNICATIONS

GROUP PRESENTATION

UWTSD

Level 6, Term 2, Assignment 2

Group 2

A worldwide firm based in the United Kingdom is considering forming a joint venture with a Chinese company.

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STRUCTURE OF THE GROUP PRESENTATION:

- Petya Elchinova – Student ID 1905519 – A UK COMPANY IS CONSIDERING FORMING A JOINT VENTURE WITH A CHINESE COMPANY, Chinese culture- Main differences between the UK and China, and Recommendations - slides 3, 4, 5, and 6
- Anton Antonov – Student ID 1908495 - Success and failure factors of joint ventures, Cultural sensitivity in China / The differences from the UK, and Recommendations- slides 7, 8, and 9
- Marina Stefanovska – Student ID 1908497– Hofstede cultural Dimensions: UK and China, Recommendations and Conclusion- slides 10, 11, 12 and 13



A UK COMPANY IS CONSIDERING FORMING A JOINT VENTURE WITH A CHINESE COMPANY

To develop and sustain a successful partnership and a seamless decision-making process, joint ventures usually involve continual contact from both parties.

- Diverse country has different cultural traditions:
 - Impact workplace relationships and success.
- Geert Hofstede approach help to compile cultural elements of diverse countries (Huang et al., 2019).
 - Culture affects institution's culture on its individuals' beliefs.
 - Individualism.
 - Long-term orientation.
 - Power distance and aversion of necessities.
- If people are acting or working as a group understand the culture of area of destination is important.
 - In individualistic cultures, people in a society should be supposed to:
 - Respect and values other people culture .
 - Purchasing behaviors in a community (Bailey, 2015).
 - Collectivism is a situation where employees work regardless of whether or not there is a close familial relationship.

UK



CHINA



Photos: Google.com



CHINESE CULTURE- MAIN DIFFERENCES BETWEEN THE UK AND CHINA

- The British business culture is associated with:
 - Politeness, civility, control, and punctuality.
 - The British uses sardonic charisma and tongue-in-cheek in business.
 - Market culture is less bureaucratic than in China (Nippa et. al., 2019).
 - Power hierarchies remain decisive and have an impact on decision-making.
 - United Kingdom prefers collaborating with people with whom it shares certain common interests.
 - Use a third-party introduction to try to establish economic links.
 - Long-term company success due to use of networking with various key players (Dignen et. al., 2013).
 - suppliers, customers, and the local population.
 - A pub lunch is an excellent place to develop business relationships, but it's preferable to meet in an office setting.
- 

The image features a vertical split background. The left side shows the Union Jack (UK flag) in the upper half and the national flag of the People's Republic of China (red field with five golden-yellow stars) in the lower half. The right side is a solid dark blue-grey background with white text.

Chinese culture- Main differences between the UK and China

- Confucianism plays an important role in Chinese entrepreneurship (Chin et al., 2021).
 - Confucian theory of Guanxi is a valued system of relationships in business.
 - Values cooperation, loyalty, social etiquette, and respect (Huang et. al., 2019).
 - Hierarchy is strictly vertical and greatly valued both in commercial and private organizations.
- There are tight protocols in place for the decision-making process.
 - All stakeholders must agree with a decision (Deresky, 2013).
 - Long-term social concerns, remedies, and alternatives.
 - Hierarchical gaps must be acknowledged.

RECOMMENDATIONS:

- China offers huge opportunities for foreign British companies.
- Significant challenges:
 - Prospective managerial counter-strategies.
 - Identifying identified the culture of the Chinese people.
 - Identifying consumer behavior.
- For a foreign British company to succeed in China:
 - Grasp the country's distinctive economic environment.
 - Earn internal credibility.
- A Foreign British companies are encouraged to engage with:
 - Local environment.
 - Hire local people.
 - Foster vital ties to achieve success goals.
- The international British companies' awareness of Chinese management business culture may improve (Daxue consulting, 2021).



Factors of Joint Venture Between UK & China

01

Success

**Cultural Context
and Guanxi**

02

**Cross-cultural
management**

03

**Proper profit
distribution**

01

Failure

**Lack of
communication**

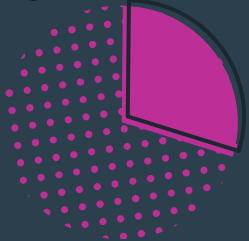
02

**Different cultures,
management styles,
and business
approaches**

03

**Failure to discuss
future approaches**

Cultural Sensitivity (China vs UK)



1

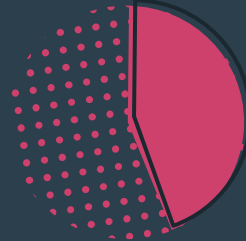
**Marketing:
Celebrity
endorsement vs
self-centricity**

(Pauluzzo et al., 2018)



2

**Uncertainty
Avoidance: Low
vs High**



3

**Power distance:
Low vs High**



4

**Cultural
context: High vs
Low**

(Vaccarini et al., 2017)

RECOMMENDATIONS



1

Continually align on
objectives, strategy, and
operations



2

Clarify
management roles
and structure



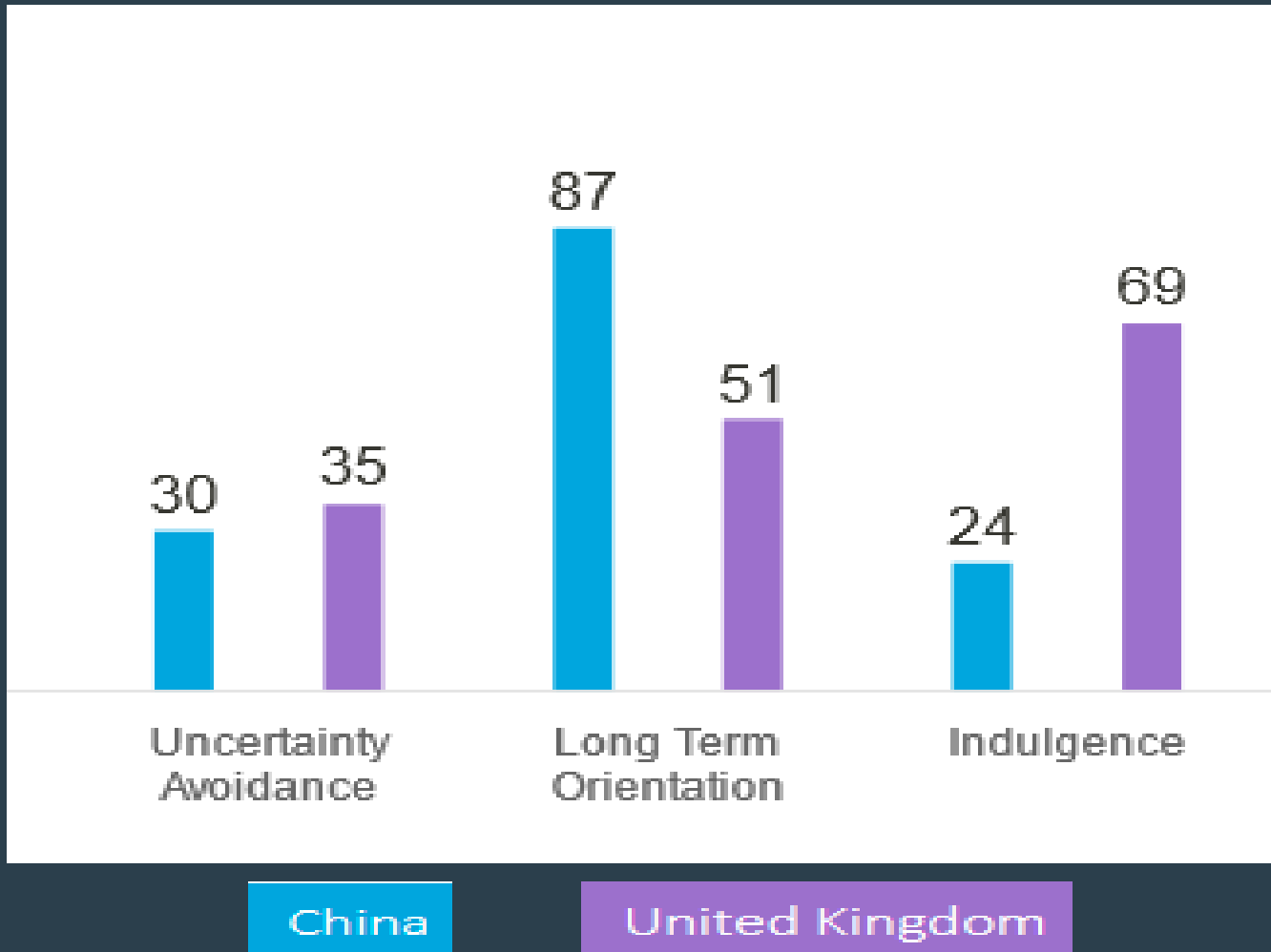
3

Create a
unified, stand-
alone culture

(Killing, 2013)



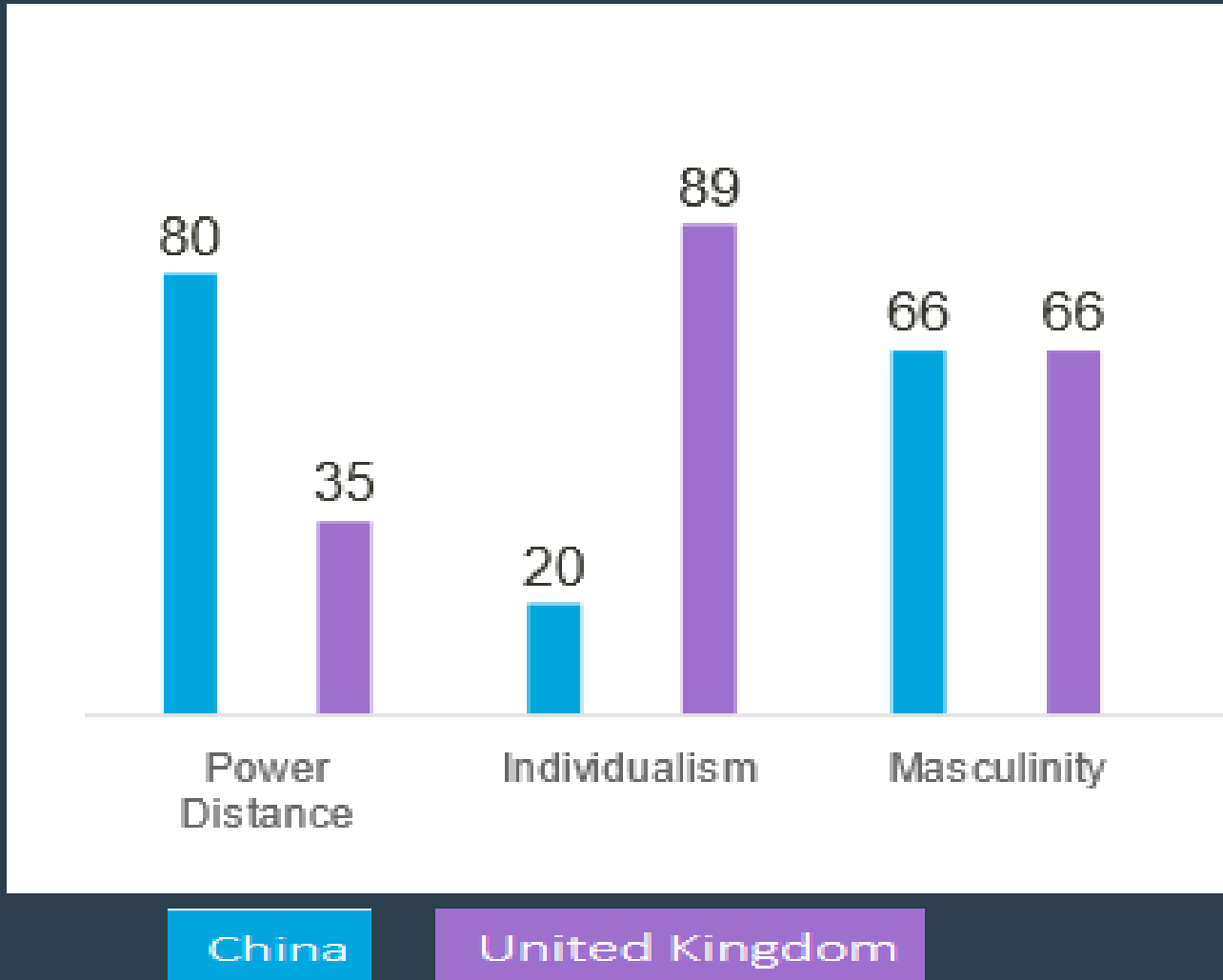
Hofstede cultural Dimensions: UK and China



(Hofstede-Insights, 2022)

- ❑ Chinese are comfortable with ambiguity and also have a high pragmatic culture
- ❑ British culture is classified as Indulgent
- ❑ China has a Restrained society

Hofstede cultural Dimensions: UK and China



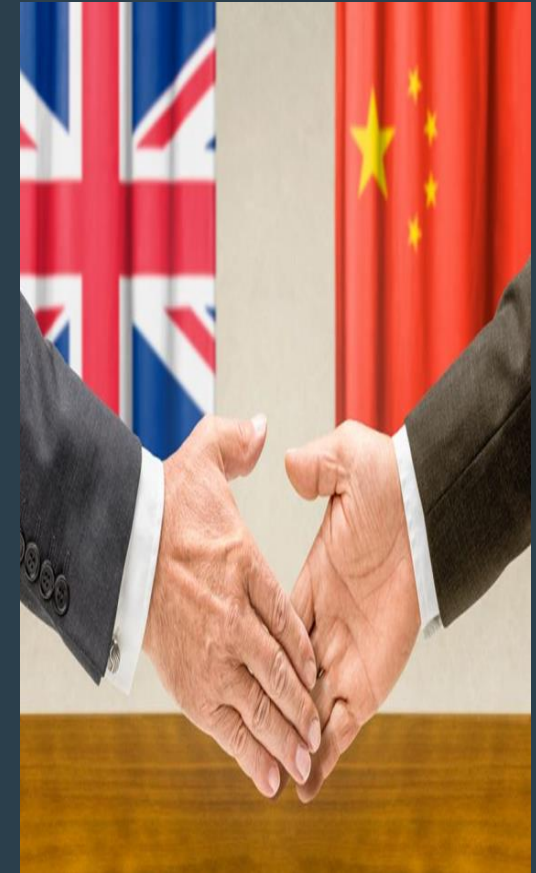
(Hofstede-Insights, 2022)

- ❑ PD index lower amongst the higher class in Britain than amongst the working classes
- ❑ China has highly collectivist culture
- ❑ Britain and China has a Masculine society

RECOMMENDATIONS:

- ❖ The regulations should be properly realised.
- ❖ Each city should be treated as a new country and have to be culturally sensitive (Ambler et. al., 2016).
- ❖ Learning the business from the local competition.
- ❖ Implementation of the online strategy is imperative.

Photo: Google.com



CONCLUSION

On a concluding note, it could be stated that British company can easily do business on a joint venture agreement with China. The ways in which this will lead to success has been discussed in this presentation thoroughly.

Thank you!

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