

GRADUATE SCHOOL OF BUSINESS AND ENTREPRENEURSHIP



English in business communication skills:

Lesson 12

Business across cultures

Lecturer: N.A.Mukhitdinova



CONTENT:

1. Cultures and culture;
2. Power and distance;
3. Individualism;
4. Time;
5. Cross-cultural communication.



<https://www.linkedin.com/pulse/culture-international-business-ovin-amaratunga>

Cultures and culture

Culture is the ‘way we do things round here’. ‘Here’ might mean a country, an area, a social class or an organization such as a company or school. It includes **values** – things that people think are important – and **beliefs** – things that people believe in.

For example, you talk about:

business	} culture	the way that companies in general behave, the way business is done, etc. in a particular place
company or corporate		the way a particular company works and the things that its employees believe are important
long-hours		where people are expected to work a long time each day
macho		the values typically associated with men – strength, etc.
sales		when selling is seen as the most important thing in an organization, rather than other activities
learning		when learning and innovation are seen as important

Business vocabulary in use, Bill Mascull, Cambridge university press, 2017. (96-97)

Why culture?

International trade accelerated by rapid globalization tends to more focus on cultural understanding and sensitivity. As more organizations grow, the global marketplace becomes leveled playfield for small businesses, multinational organizations, and cross-cultural teams. This implies that it's crucial, now more than before, for businesses to understand the culture of their targeted foreign market if they wish to succeed and grow internationally. Culture is a set of ideas, customs, and social behavior of a particular person, society, or region. Culture affects international business in several ways.

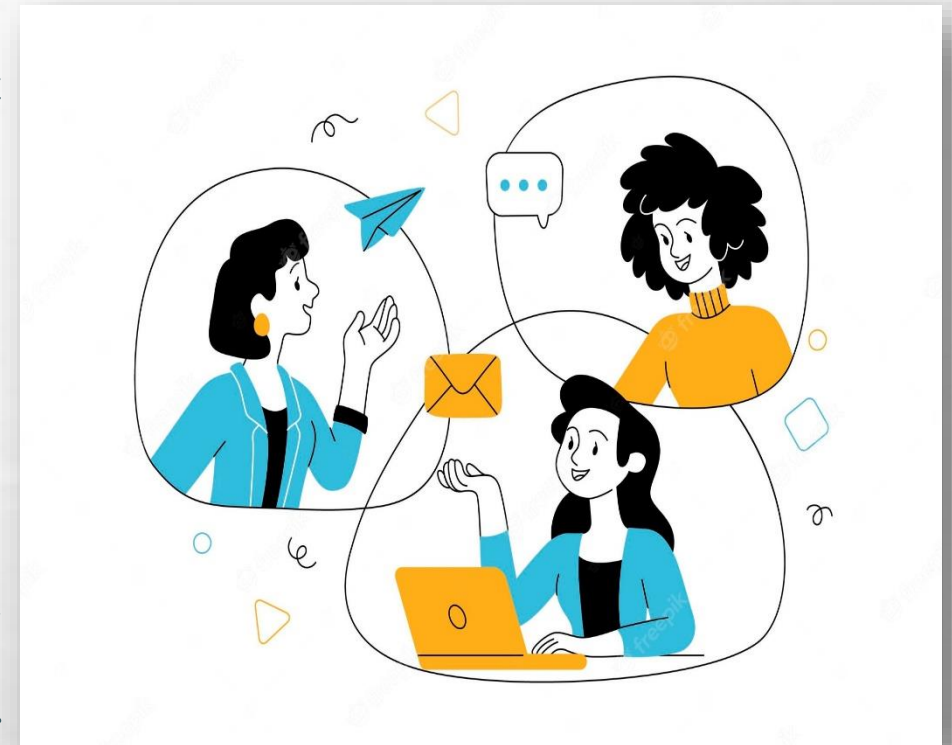
In a business context, culture reflects what behaviors are common and accepted professionally in one destination, compared to another. Acceptable business practices in one country may be significantly different from the approach that is used by businesses overseas. Therefore, understanding how culture impacts international business is something that should be recognized and understand wholeheartedly to avoid misunderstandings and miscommunication between peers, clients, and workgroups. Further, to make sure that businesses are presenting themselves to their new segment/ geographical segment in the best way they can.

1. Communication

Communication plays a vital role in international business, and sometimes effective communication can be the only reason for succeeding or failing in a new market. Any organization involved in international business need to make sure that its messages aren't getting lost in translation. The language barrier is the most common element which hinders communication in International business.

The language barrier doesn't limit to speaking different languages, but also the tone matters. For example, countries like the USA, Germany speak loudly and be more assertive while the Japanese speak more softly and more passive tone when making suggestions to colleagues.

Basic customs, mannerisms, and gestures also play a vital role in communication. Behavior that might be usual and friendly in one culture could be unusual or offensive to a client overseas. For example, the business handshake is a common norm in European and US cultures to greet each other while Middle Eastern cultures hug each other for the same purpose.



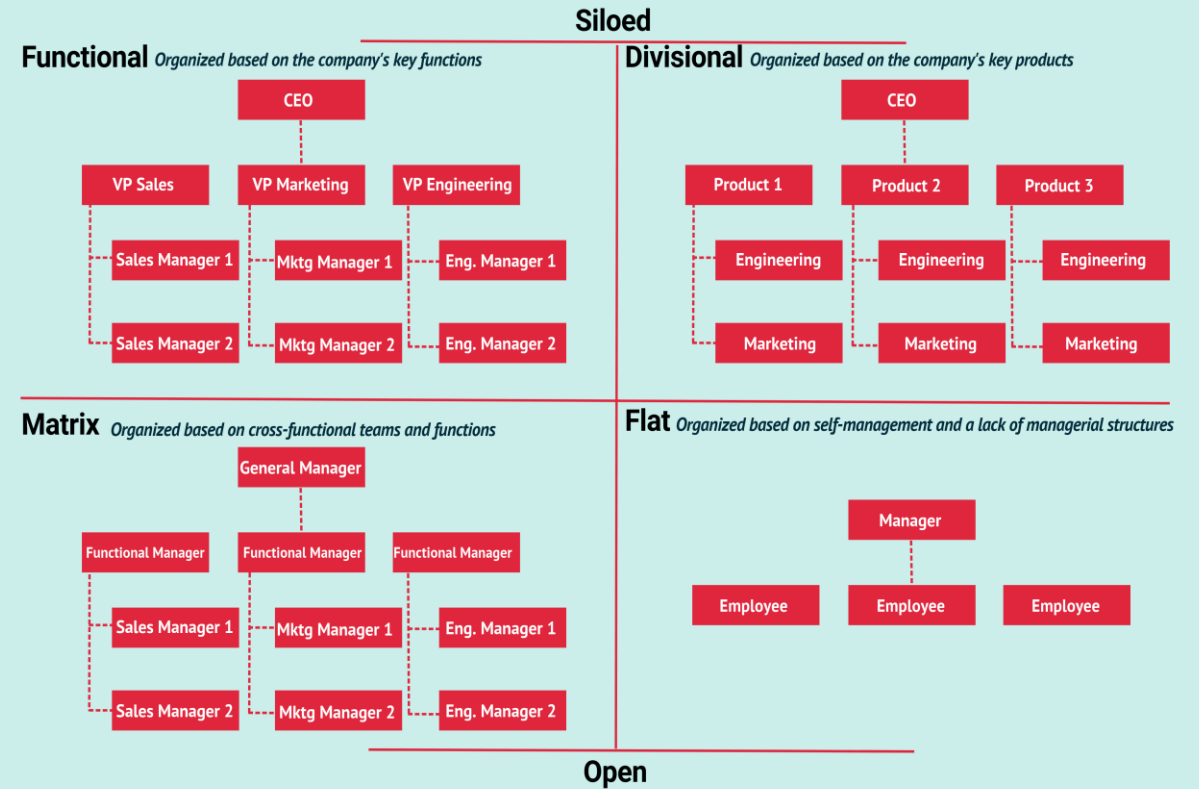
<https://www.freepik.com/free-photos-vectors/communication-illustration>

2. Organizational hierarchy

Businesses should be aware that different cultures have different attitudes and perceptions towards business. For example, Scandinavian countries emphasize social equality and therefore they tend to build a flat organizational hierarchy while Japanese traditional values of relative status and respect for seniority tend to build an upright and clear organizational structure.

A flat structure reflects an informal approach to communicate and cooperate without seniority and juniority or any other segregation, while the structural approach reflects that senior management expects obligation and respect from subordinates.

Four Key Types Of Organizational Structures



3. Workplace etiquettes

The way of address someone is another key thing to consider within international businesses when communicating with clients and peers from different cultures. Some cultures prefer to approach by their first name while some cultures prefer to approach by surname. For example, Asian people such as Chinese prefer to use their surname, whereas Americans prefer to use their first names.

8 WORKPLACE ETIQUETTES EVERY EMPLOYEE SHOULD KNOW



Dress Appropriately



Respect Personal Space



Be Mindful of Your Words



Respect Coworkers' Time



Keep Your Workplace Clean



Socialise with Your Peers



Use Your Mobile Wisely



Take Responsibility

LOGICMELON 

<https://logicmelon.com/blog-post/8-workplace-etiquettes-every-employee-should-know/> 

Workplace Clean
Keep Your

Your Peers
Socialise with

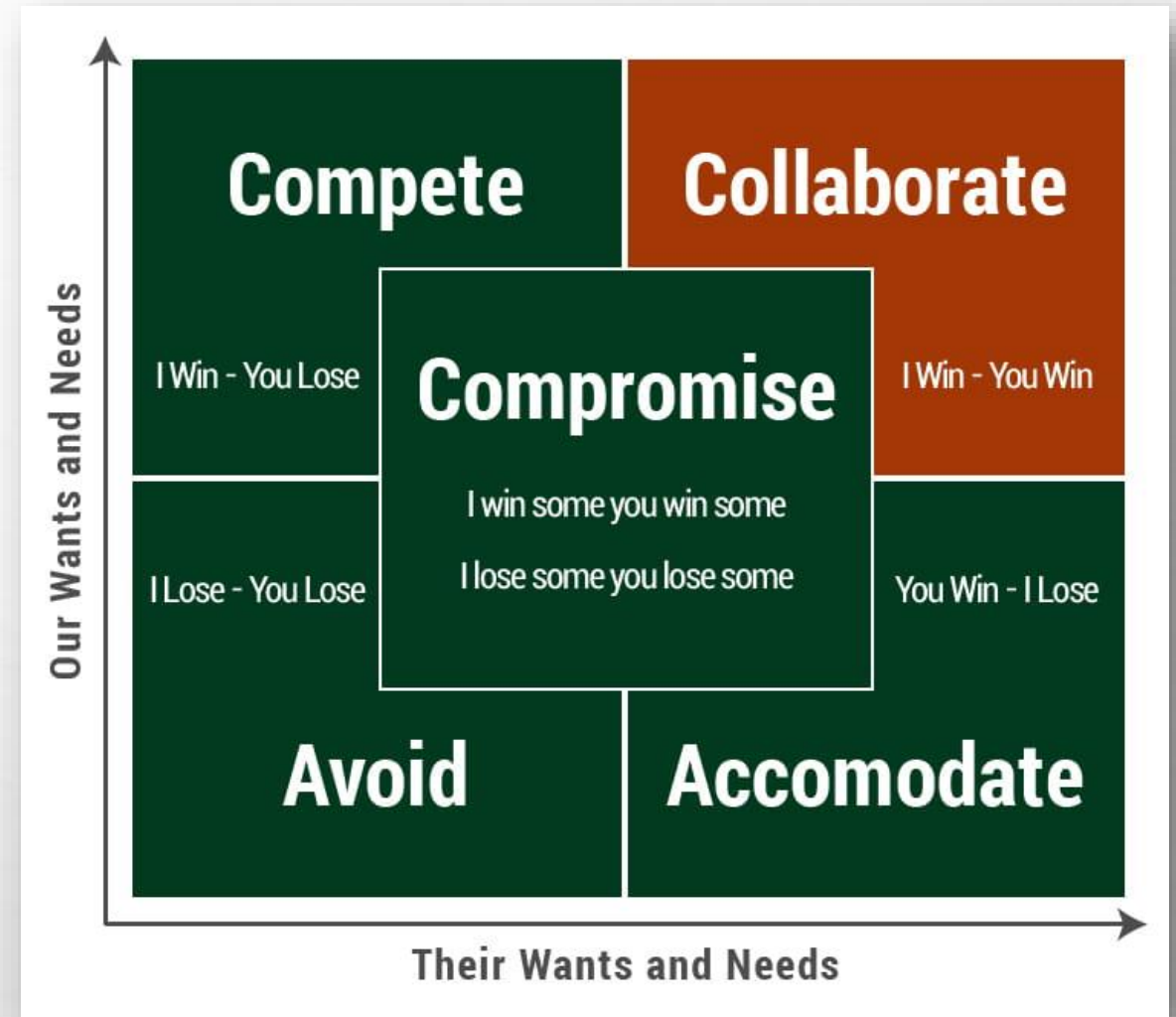
Mobile Wisely
Use Your

Responsibility
Take

4. Negotiation styles

Negotiation is a key component of international business. The behavioral patterns, communication styles, and thinking patterns of people are influenced by culture and reflect the way they negotiate.

Companies must understand cultural differences during business to successfully retain in international business. For example, the Spanish view negotiation as the means to have a contract, while Indians believe negotiation help to build firmer business relationships.



5. Punctuality

Different cultures have different punctuality criteria. For example, countries like America, Brazil Greece, south Korea, Japan, and Russia expected to be on time while Germany expected to be at least 10 minutes early for the appointment. In Russia, they expect someone's arrival slightly late.

Different cultures react differently to the late arrival of their clients. For example, Malaysia, expect to wait up to an hour if their counterpart is informed that they would be late for five minutes even without asking the reason for being late. While china, it is acceptable to be at least 10 minutes late but needs to provide reasons for late. For the countries like Mexico, Nigeria, Ghana, India they never worried about punctuality.



<https://royalpepper.in/blog/5-tips-to-help-you-be-punctual/>

6. Group dynamics

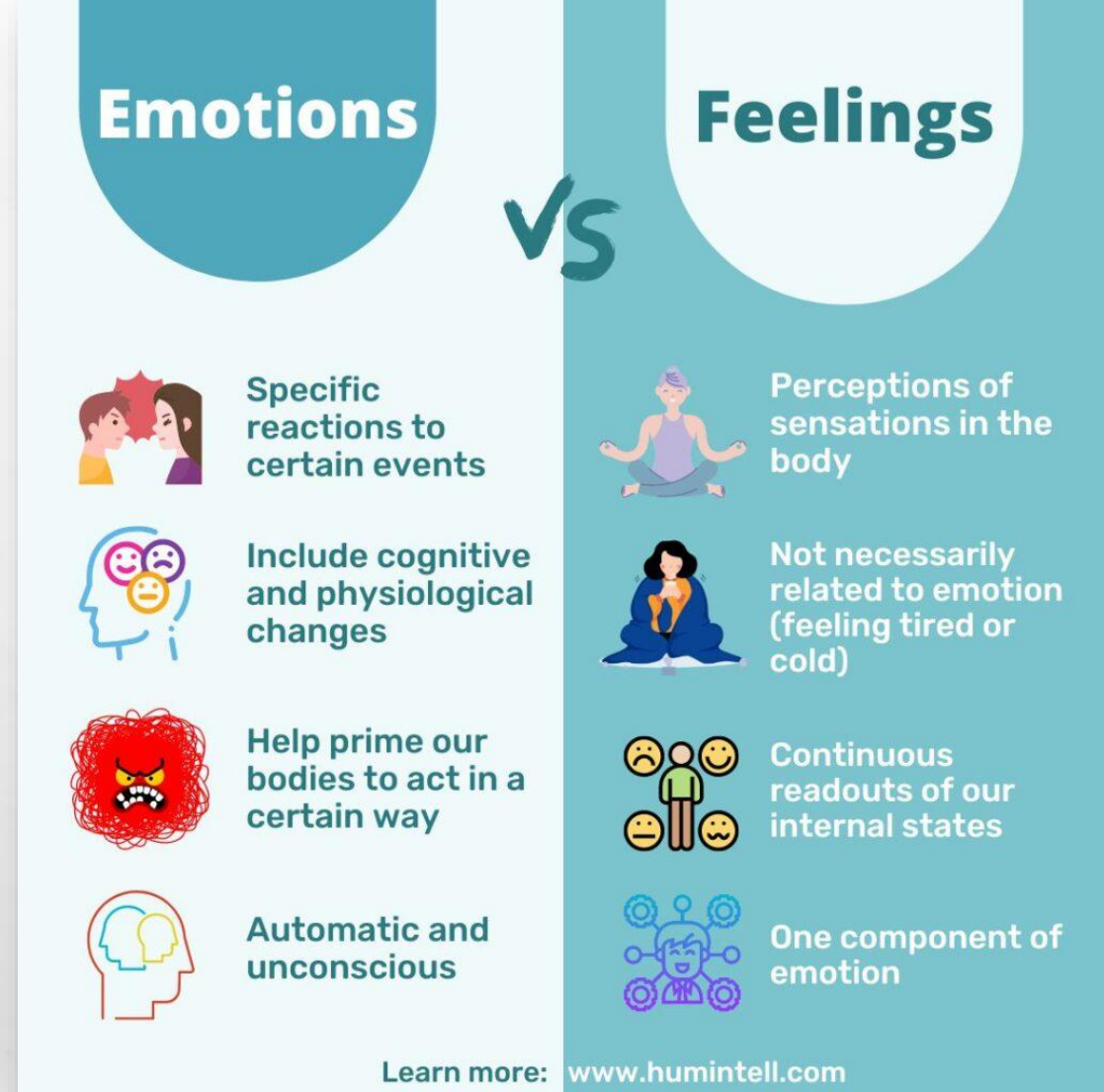
Understanding how individuals from different cultures interact within groups is essential. An understanding of group dynamics is important to deals with different people. For example, countries like the USA have individualistic cultures where people make most of the decisions individually, while countries like japan value collectivistic cultures where decisions are significantly influenced by the team members.

This behavior is similar when come into purchasing decision as well. For example, the countries like china, with a highly collectivist culture, the marketing collateral, and sales process need to be targeted toward the group while using a completely different strategy for consumers in the USA where people value individualistic culture.



7. Emotionalism

Different cultures express their emotions differently. For example, Americans express their emotions at the negotiating table by arguing and commenting and raising questions on particular issues (straight direct approach to solving questions), while the Japanese and many other Asians hide their feelings and stay silent (use later indirect approach). Nonetheless, various cultures have different rules as to the appropriateness and form of displaying emotions, and these rules are brought to the negotiating table as well.



Learn more: www.humintell.com

<https://www.humintell.com/2022/05/whats-the-difference-between-emotions-and-feelings/>

8. Risk-taking behavior

Different cultures show different behaviors when dealing with risks. Some cultures voluntarily take risks while some cultures are risk-averse. For example, Japanese, with their emphasis on requiring a large amount of information and their intricate group decision-making process, tend to be risk-averse while Americans, French, the British, and the Indians claimed to be risk-takers.

Risk Taker



Power and distance

A company's culture depends to a large extent on the country it is based in. Geert Hofstede is a world-famous expert on **cultural differences**. **Power–distance** is one of the important **cultural dimensions** that he identified.

Sweden is a **low power–distance culture**. Managers are **accessible** and **approachable** and there is a tradition of employees being involved in **decision-making** as part of a **team of equals** – everyone's opinion is treated equally.

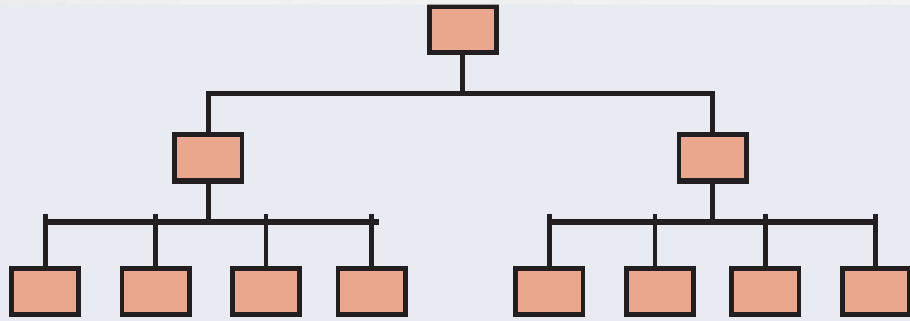
France is a **high power–distance culture**. Managers are usually more **distant** and **remote**. Employees may feel quite distant from their managers and show a lot of **deference** – respect – to them, following decisions but not participating in them.



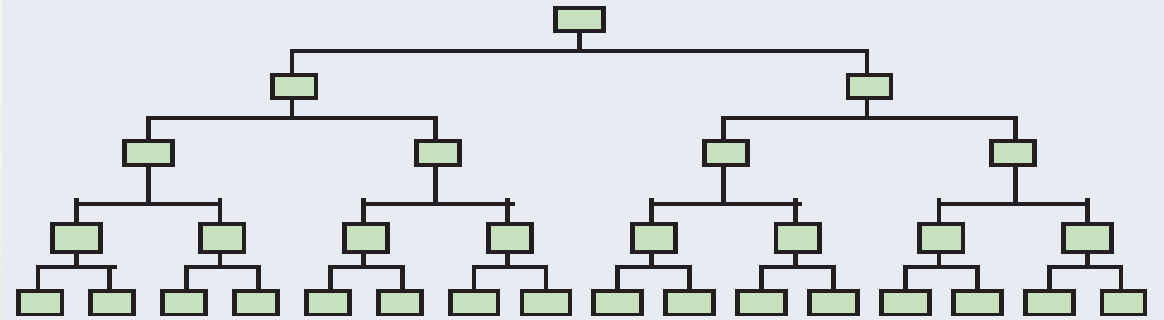
<https://blog.thedigitalmarketinginstitute.org/global-digital-marketing-and-hofstedes-cultural-dimensions/>

Now have a look at these organigrams:

This Swedish company is not very **hierarchical**, with only three **management layers** – different levels.



French companies are on the whole more **hierarchical** than Swedish ones, with more **management layers**.



Deference and distance may be shown in language. Some languages have many **forms of address** that you use to indicate how **familiar** you are with someone. In English, whether first names or surnames are used can show distance.

Individualism

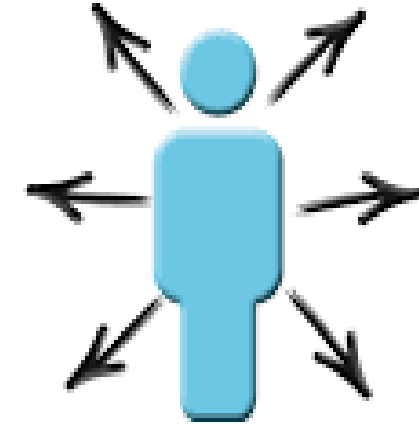
Individualism and **collectivism** relate to the way individuals form and behave in groups. This affects how companies operate. In **individualist** societies, such as in the united states, the **connections** between individuals and the Company are unique. Every employee is viewed as an **independent entity** and has a high level of personal responsibility.

In **collectivist** societies, such as in china, employees are part of strong groups, which protect them in exchange for their **loyalty** – feeling that they will do nothing to harm the group. The relationship between employer and employee or business partners is based on **trust** and **harmony**.

Individualism



Collectivism



<https://ecotalker.wordpress.com/2020/07/08/fun-fact-individualism-is-antithetical-to-group-and-community-welfare-or-is-it/>

Time

Attitudes towards **time** can vary enormously. Look at this information about France.

A. **Working hours**

People start work at 8.30 or 9 and officially finish at 6, though many managers start later and stay at work much longer. Among some managers there is a culture of **presenteeism** – being at work when you don't really need to be.

B. **Holidays**

Employees take five weeks' **holiday** a year and often take four of them in August. Many companies close down completely that month. There are a lot of **bank holidays** or **public holidays** (about 15) during the year.

C. **Meals and entertaining**

The **lunch break** is important and a lot of business is done over restaurant lunches. There are no snacks between meals, just coffee. Lunch, more than dinner, is important for discussing business. The **working breakfast** is rare.

D. **Punctuality**

If you arrive five minutes after the time given for meetings, nobody minds, or even comments on it. If you are invited to someone's house (which is unusual in business), arrive between 15 to 30 minutes after the time given.

E. **Boundaries – limits – between work and private life**

Don't **phone** people at home about work, and don't phone them at all after 9 pm.

What is cross-cultural communication?

Cross-cultural communication can be defined as a dialogue or any kind of interaction (both verbal and non-verbal) between people of different nationalities.

Applied to a business-oriented context, cross-cultural communication refers to how well people from different cultures interact in a business environment. And how well they adapt their communication style to their co-worker's culture.

In a multicultural environment, developing solid cross-cultural communication skills is vital. This will enable you to create a positive work culture, bringing out the best in all team members.



<https://www.bethlehem.edu/degrees/cross-cultural-communication-skills/>

Diversity is an asset and a core value that all companies should hold. According to data, companies with racially and ethnically diverse leadership and executive teams have a 36% higher likelihood of financially outperforming companies with little or no diversity.

Examining this in greater detail can unearth many opportunities that managers can harness to increase a business' growth potential.

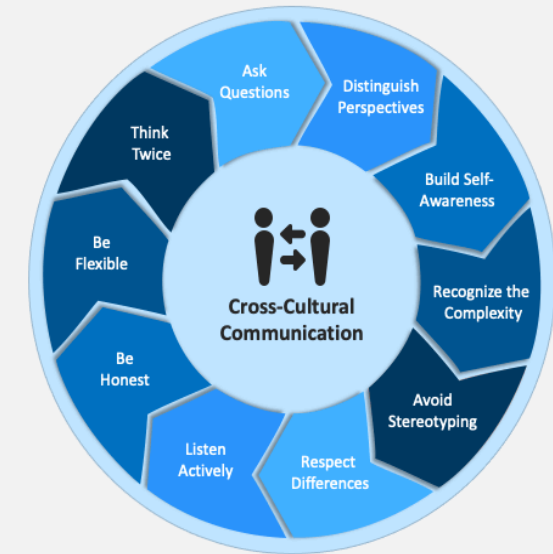
The better a company understands its target audience, the greater the success it will have.

This rule applies without exception, regardless of an organization's activity range or industry. Equally, the example and statement above remain applicable, whether related to age, gender, socio-economic background, etc.

With diversity in the workplace also comes the call to develop better cross-cultural communication skills. For more prosperous personal and business relationships we have to be open and adaptable, nurturing constructive communication with people from all backgrounds.

CROSS CULTURAL COMMUNICATION

Strategies for Effective Cross-cultural Communication



<https://www.sketchbubble.com/en/presentation-cross-cultural-communication.html>

Cross-cultural communication

Here are some more areas for potential cultural misunderstandings.

- A. **distance** when talking to people – what is comfortable?
- B. **eye contact** – how much of the time do people look directly at each other?
- C. **gesture** – do people make a lot of facial gestures? How much do they move their arms and hands?
- D. **greetings/goodbyes** – do people shake hands every time? Are there fixed phrases to say?
- E. **humor** – is this a good way of relaxing people? Or is it out of place in some contexts?
- F. **physical contact** – how much do people touch each other?
- G. **presents** – when should you give them? When should you open them? What should you say when you receive one?
- H. **rules of conversation** and the **role of silence** – how long can people be silent before they feel uncomfortable? Is it acceptable to interrupt when others are speaking?

Reference

1. **Business vocabulary in use, Bill Mascull, Cambridge university press, 2017. (98-101)**
2. **<https://www.investopedia.com/terms/p/project-management.asp>**
3. **<https://www.brosix.com/blog/cross-cultural-communication/>**
4. **<https://www.managementstudyguide.com/banking-articles.htm>**

Thank you for attention!