



CROSS CULTURAL DIFFERENCES IN DOING INTERNATIONAL BUSINESS

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CROSS CULTURAL COMMUNICATION

Cross-cultural communication (also frequently referred to as intercultural communication, which is also used in a different sense, though) is a field of study that looks at how people from different cultural backgrounds communicate, in similar and different ways among themselves, and how they endeavour to communicate across cultures.

source: wikipedia

'**Intercultural communication**' can...be defined as the interpersonal interaction between members of different groups, which differ from each other in respect of the knowledge shared by their members and in respect of their linguistic forms of symbolic behaviour.

Karlfried Knapp

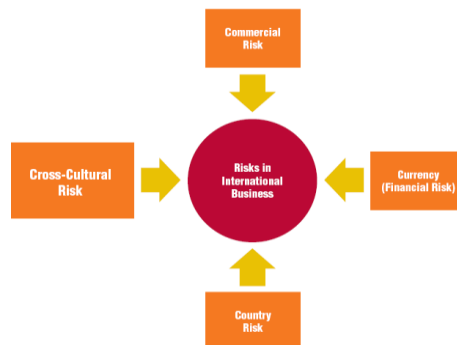
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NEED FOR INTERCULTURAL COMMUNICATION IN BUSINESS

- Cultural diversity is perceived quite often around the world with the change in geography, climate, countries, states, religion, language, race and gender.
- For a business to develop in technically competent and advanced global village, in terms of communication, travel and transportation, these cultural diversity must be breached.

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RISKS IN INTERNATIONAL BUSINESS



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CROSS - CULTURAL RISK

- A situation or event where a cultural miscommunication puts some human value at stake.
- Culture influences a range of interpersonal exchange as well as value-chain operations such as product and service design, marketing, and sales.

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- Cross-cultural risk is exacerbated by:

Ethnocentric orientation

Using our own culture as the standard for judging other cultures.

Polycentric orientation

A host-country mindset where the manager develops a greater affinity with the country in which she or he conducts business.

Geocentric orientation

A global mindset where the manager is able to understand a business or market without regard to country boundaries.

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PURPOSE OF INTERCULTURAL COMMUNICATION IN BUSINESS

- To create cultural synergy between people from different cultures within a business.
- To avoid problems stemming solely from misinterpretation when coming across people from different culture and society in the large expanding business globally.
- Communicating across cultures effectively improves your productivity and efficiency.

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- Promotes harmonious work environment.
- Cross-cultural proficiency increases the effectiveness of meetings and other encounters in international business.

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WHY CULTURE MATTERS IN INTERNATIONAL BUSINESS

- Developing products and services.
- Communicating and interacting with foreign business partners.
- Screening and selecting foreign distributors and other partners.
- Negotiating and structuring international business ventures.
- Interacting with current and potential customers from abroad.
- Preparing for overseas trade fairs and exhibitions.
- Preparing advertising and promotional materials.

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PROBLEMS OF CULTURAL DIFFERENCES

- People in different countries have different ways to interpret events, they have different habits, values, and ways of relating to one another. When they come across, problems pops up.
- People tend to view their cultural practices right while other as wrong or peculiar. This is called *ethnocentrism*.
- Gestures and body movements and beliefs and practices related to human relationships are the two main factors that impacts communication.

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GESTURES AND BODY MOVEMENT

Cross-cultural Communication
An Example of Different Meanings of the Same Gesture

UK & USA = O.K. JAPAN = MONEY

RUSSIA = ZERO BRAZIL = INSULT

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CULTURE

- Americans
- Germans
- French
- British
- Hispanics
- Latin Americans
- Middle Easterners
- Asians
- Koreans
- Arabs

HANDSHAKES

- Firm
- Brusque, firm, repeated
- Light ,quick, not offered to superiors, repeated
- Soft
- Moderate grasp, repeated frequently.
- Firm, long lasting.
- Gentle, repeated frequently.
- Gentle: for some shaking hand is unfamiliar and uncomfortable.
- Firm
- Gentle, kisses on both cheeks.

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BELIEFS AND PRACTICES

While there are many beliefs and practices carried out in different parts of the world few has been illustrated here to let us know the contrast among different cultures.

○ TIME

In some countries like China and Japan, punctuality is considered important and being late would be considered as an insult. However, in countries such as those of South America and the Middle East, being on time does not carry the same sense of urgency.

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○ SPACE

The concept of "personal space" also varies from country to country. In certain countries it is considered respectful to maintain a distance while interacting. However, in other countries, this is not so important.

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○ ODORS

Americans avoid body odors and try to hide them whereas in some Asian culture believe body odor as an act of friendship to 'breathe the breathe' of the person with whom they converse.

○ FRANKNESS

North Americans tend to be frank or explicit, quickly getting to the point. Germans and Israelis are even more frank than Americans. Asian tend to be more reticent and implicit.

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○ INTIMACY OF RELATIONSHIPS

In many cultures strict social classes exist which determines the extent to which people can be intimate among themselves. Like in America boss directs the subordinates while in Japan it's the consensus.

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○ VALUES

Americans believe if one puts hard work ahead of pleasure, success will follow. North Americans expect to change their companies number of times and also expects companies to fire them as per their needs. While in Japan employment tend to be for lifetime. The company is viewed like a family. Loyalty are expected from employees as well as employer.

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○ EXPRESSION OF EMOTION

Asian cultures strongly frown upon public display of affection whereas Westerners accept moderate display of affection. Eastern culture sorrow is expressed with loud, seemingly uncontrolled wailing whereas westerners typically respond with subdued and controlled emotions.

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PROBLEM OF LANGUAGE

- There are more than 3000 languages in use on earth.
- More than 200 languages are used in India itself.

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IF YOU SPEAK TO A MAN IN A LANGUAGE HE UNDERSTANDS, YOU SPEAK TO HIS HEAD. IF YOU SPEAK TO A MAN IN HIS OWN LANGUAGE, YOU SPEAK TO HIS HEART.

– NELSON MANDELA

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Wide differences among languages make precisely equivalent translation difficult because languages are generally based on experiences, different concepts, views and such of culture that developed them. And different culture have different concepts, views, experiences and such.

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- *Florist* in America means someone who sells flowers while in some culture the word *florist* is irrelevant because flowers are sold by street vendors mainly women and children.

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- Similarly *supermarket* has got no equivalent in some language. The French has no word distinguishing *house* and *home*, *mind* and *brain*, and *man* and *gentleman*.

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GRAMMATICAL AND SYNTACTIC DIFFERENCES

- URDU has no gerunds.

MULTIPLE WORD MEANING

- THE OXFORD ENGLISH DICTIONARY uses over 15,000 words to define *what*.

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- Like-meaning words can be used in different ways in different culture. Example – *yes*

“The Chinese *yes*, like the Japanese *yes*, can often be understood by Americans and British as their English *yes*. But the Chinese *yes* often means ‘I am listening’. For example, when an American says to Chinese counterpart, “I see you don’t agree with this clause,” the Chinese will usually reply, “Yes” meaning a polite agreement with the negative question: ‘Yes you are right. I do not agree with the clause.’”

Jensen J. Zhao.

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DIFFICULTIES IN USING ENGLISH

- English today has become the primary language of International Business.
- Two-word Verb
break and *up* have different meaning when written separately but when used as *break-up* the meaning entirely changes. Similarly *give up* means surrender, *speed up*, *hurry up* means accelerate.

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- Culturally derived words such as *ritzy*, *scram*, *natch*, *lousy* etc. are not in dictionary.
- Words derived from sports e.g. *kickoff*, *over the top*, *below the belt*, *answer the bell*, etc also causes problems.
- Colloquialism e.g. *grasp at straws*, *flat-footed*, *on the beam*, *educated guess*, etc. also causes problem as these are not frequently used in other parts of the world.

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OVERCOMING THE LANGUAGE EQUIVALENCY

- Master the language of the nonnative English speakers with whom you communicate
- Awareness of the problem caused by language differences.

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- Ask questions carefully to make sure you understood.
- Check the accuracy of the communication with written summaries.
- Form a cross cultural negotiating team and try interacting with them.

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- For important communication, consider back translation- the technique of using two translator, the first to translate from one language to other and vice-versa.

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POTENTIAL HOT SPOT IN CROSS CULTURAL COMMUNICATION

- Opening and Closing Conversations
- Taking Turns During Conversations
- Interrupting
- Use of Silence
- Appropriate Topics of Conversation

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- Knowing How Much to Say
- Sequencing elements during conversation

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COMMUNICATION MATTERS

CAREFULLY PRESENT AND RECEIVE A BUSINESS CARD IN JAPAN.

- If you go to a business meeting in Japan without Business Card, it is considered as bad manners.
- Try receiving the card with both hand if you want to impress the presenter, especially if he his senior in age or status or potential customer.
- Don't put it in the rear pocket- that is considered crude. Put it in some distinctive case.

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COMMUNICATION MATTERS

BLUNDERING WITH WORDS

- Parker Pen Company in Latin America "Use Parker Pen, avoid embarrassment!"
Literal meaning "Use Parker Pen, avoid pregnancy!"
- Pepsi in Germany "Come Alive with Pepsi".
Literal meaning "Come out of the grave with Pepsi."
- Salem cigarettes in Japan "Salem—Feeling Free".
Literal meaning "Smoking Salem makes your mind feel free and empty."
- Pepsi in Taiwan "Come Alive with Pepsi".
Literal meaning "Pepsi brings your ancestors back from the dead."

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SOURCES OF INFORMATION

- <http://www.kwintessential.co.uk/cultural-services/articles-intercultural.html>
- <http://www.prenhall.com/divisions/bp/app/fred/Catalog/0131738607/pdf/Ch.%205%20revised.pdf>
- <http://www.cyborlink.com>
- http://www.petronet.ir/documents/10180/2323250/the_cultural_dimension_of_international_business
- <https://geert-hofstede.com/national-culture.html>

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THANK YOU FOR YOUR ATTENTION!!!
KÖSZÖNÖM !!!



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Hofstede's Cultural Dimensions

Individualistic / Collectivistic	How personal needs and goals are prioritized vs. the needs and goals of the group/clan/organization.
Masculine / Feminine	Masculine societies have different rules for men and women, less so in feminine cultures.
Uncertainty Avoidance	How comfortable are people with changing the way they work or live (low UA) or prefer the known systems (high UA).
Power Distance	The degree people are comfortable with influencing upwards. Accept of inequality in distribution on power in society.
Time Perspective	Long-term perspective, planning for future, perseverance values vs. short time past and present oriented.
Indulgence / Restraint	Allowing gratification of basic drives related to enjoying life and having fun vs. regulating it through strict social norms.

GEERT HOFSTEDE 6 D-MODEL



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Name some examples of Hungarian culture based on the six characteristics of Hofstede:

- Power Distance;
- Individualism;
- Masculinity;
- Uncertainty Avoidance Index;
- Long-term orientation;
- Indulgence.

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WWW.THEENGLISHSTUDENT.COM UNDERSTANDING DIFFERENT CULTURES

I'M CHINESE

It is impolite to open gifts when received.

Remove your shoes before entering someone's home.

If you are invited to someone's home, you should always bring a gift to the hostess.

When receiving and offering business cards, always do it with both hands and never write on it!

I'M FRENCH

You should always dress well. It is better to be formal than too casual.

Do not give anything with the number 13. It is bad luck to French people!

It is OK to open gifts when received.

Handshake is common way of greeting but friends may greet by kissing on both cheeks.

I'M KOREAN

Do not wrap your gifts in green, white, or black colored paper.

You should never sign or write anything in red ink.

When eating, the eldest or senior person should eat first.

When meeting someone, the person of lower status should bow to the person of higher status first.