

International business (ch2, ch3, and 'gung ho)

Business



**ASSIGN
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Chapter 2 & 3 Assignment - Gung Ho Answers Due - Oct 14, Points - 50

Possible Points Informal s: Culture, Ethics, & Norms Introduction:

Management Decision

Section 1: (10 Points) this chapter emphasizes the importance of informal institutions (rules) - culture, ethics and norms that are the foundation of behavior for individuals and firms regardless of country. For managers this suggests that there are two broad implications:

A. The institutional based view argues that a firm's performance is at least in part determined by the cultures, ethics, and norms that govern behavior.

What are the two broad implications discussed in chapter 3?

One implication discussed in chapter 3 is that managers and firms use specific formal and informal institutional frameworks to pursue the business interests. The second implication is that informal institutional frameworks provide some structure to an organization where formal institutions are not visible or where the formal institutions have failed.

B. What implications do these concepts have on management actions (Rules of thumb)?

Managers should constantly be aware of both formal and informal institutional frameworks that influence their employees. This will allow the managers to manage to the framework and adjust with fluid plans if the frameworks break down. It will also allow the managers to better predict the behaviors and actions of their teams.

Section 2: (40 Points) For this assignment you will be required to locate and watch the movie Gung Ho and then apply the concepts that were discussed in Chapter 3 of the textbook by answering the questions outlined below.

Movie: Gung Ho Drama & Comedy; made in 1986, produced by Ron Howard;

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Staring: Michael Keaton, Mimi Rogers, and John Turturro

With regards to the movie Gung Ho:

A. Watch the movie Gung Ho

B. Provide a short summary of what the movie was about and how you think it is relevant to the concepts of global business today. (5 points)

a. Various responses - looking for a 2 -3 paragraphs that summarize the movie and second part of the question: how is this relevant to the concepts of global business today.

The movie is about a small town that has always relied on manufacturing for its livelihood. The two factories have closed down, the service businesses are moving out of the town, and the majority of adults are unemployed. Hunt Stevenson solicits a Japanese company to reopen the factory. The movie tells the story of the challenges the Japanese executives, employees, and townspeople encountered during and after the reopening.

This is relevant to the concepts of global business today because advancements in technology, travel, and collaboration blur the lines that separate countries. Global interactions are a frequent, everyday occurrence for many businesses. Understanding the different cultures with which one will be working is critical to maintain relationships and smooth production.

b. Outline the cultural differences that exist between the Japanese management team and their US Workers? Specifically address each of the following differences by describing examples from the movie. (16 Points)

i. Collectivism (Team) vs. Individual

Collectivism focuses all members of the team on a single purpose as a single unit. This was apparent from the first day of the factory reopening and the morning exercises and the approach to teach every man every job. The US

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workers were accustomed to specialization and being experts at a few things. They did not understand the concept behind moving workers around to expose everyone to all facets of the operation. At the dinner party, the Japanese executive expressed a lack of understanding about the American workers—they come in five minutes late, leave two minutes early, stay home when they are sick—no loyalty to the company, they only care for themselves.

ii. Business Etiquette

The Japanese business etiquette is formal, while the US business etiquette is informal. The joking around, music, and smoking on the work line all point to the differences between how the groups approach work.

iii. High context culture vs. Low context culture

Japanese culture tends to be High context with indirect communication and adherence to unspoken rules. This is evident in the stoic non-verbal communication that is prevalent throughout the movie.

iv. Women role in society

Women are behind the scenes and have no place in business. The women left the table during the dinner party when the executives announced that there was business to discuss.

v. Work Values

When the executive's wife asked if he would put together the bike and he said he did not have time, she asked, " Why do American fathers have time?" and he answered, " ...Because their work sucks." The Japanese focus on elimination of defects. People who do not perform do not have a place in production. At the bowling alley, the executive states, " The only measure of a worker's value is the work."

vi. Motivation vs. Incentives

In the movie, Asson executives expect the workers to be motivated by their loyalty to the company, while Hunt believes that the workers will be motivated by the monetary incentive of receiving a pay raise upon reaching a certain production level.

vii. Uncertainty Avoidance

The US workers wanted to be very clear about what they would receive in exchange for their work. They expected management to spell everything out and were distrustful of the Japanese management team.

viii. Authority & Leadership

The Japanese management team expected no questioning or resistance to their authority and decisions. The authority was absolute. The US workers responded to leadership by example and collaboration toward the end of the movie when Hunt started to build cars in the empty factory with the executive.

C. Did these cultural differences cause any problems? Explain. (4 Points)

Yes, the cultural differences caused many problems. Because the workers did not understand the Japanese culture and expectations, they did not respond positively. Despite common goals, they needed to work together and appreciate the differences that the melding cultures presented, rather than fight against them. They reconciled this at the end of the movie, but only after much frustration on both sides.

D. Referring back to the movie Gung Ho explain how the concept of enhancing cultural intelligence and the application of “ the Six rules of thumb when venturing overseas” could have been applied by the Japanese management team and/or the employee Liaison (Michael Keaton) so both the

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Company and labor would have been effective in succeeding in achieving their goals. Provide specific examples. (5 Points)

Hunt Stevenson did not approach the executives appropriately when pleading his case in the beginning of the movie. He made several off-color comments and displayed a general sense of disrespect by not understanding the expectations of the culture he was trying to engage in business. He used humor, which was not expected or understood in the context of business. The text suggests that “ respect for local traditions suggests cultural sensitivity.” While the movie portrays the Americans as being insensitive and somewhat boorish, the outcome of the cultural faux pas lies on both sides. Neither side tried very hard to learn about or accept the other. This created tension. Examples such as the rolling out of the red carpet when the flight arrived, so the Japanese families felt compelled to remove their shoes on the tarmac, and the treatment of the executives during the baseball game when one of the workers ran into one of the executives when he was ready to catch the ball, highlight this tension.

E. Referring back to chapter 2 in the textbook (10 Points)

a. Define herd mentality. (4 Points)

The book defines herd mentality as “ a behavior influenced by the movement of the crowd for the herd with little independent judgment.” This implies that groups of people with this mentality are likely to follow a strong personality’s lead without considering the consequences.

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b. Did herd mentality play any role in the decision making process of the labor organization? Explain. (6 Points)

Yes, herd mentality played a role in the decision making process of the labor

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organization. The workers let one or two voices speak for them. They placed a great deal of faith solely in Hunt and expected that he would make the right decisions, even when those decisions created hardship for them.