

# Example of research paper on business cross-cultural relationship between usa and...

[Business](#), [Marketing](#)



In making a decision to venture into the Chinese market, an organization has to consider the differences between the Chinese cultural and business practices, and those of its home country (Ambler et al, 2000). For instance, any business organization from the west has to make a lot of consideration for the unique, rich and old culture of the Chinese people especially the Guanxi practices. Venturing into the Chinese market is a viable idea as the Chinese cities and towns are the most populous in the world. However, it is imperative that any business venturing into this market know a thing or two about the way the Chinese view the culture of the westerners. This paper looks into the differences between the Chinese cultural and business practices and those of people from the United States.

Unlike the people from the United States, the Chinese people value business dealings that are based on personal relationships and the social processes such as the famous Guanxi. They engage in business dealings with those people that they believe in and have trust in (Li, 1953). As such, any corporation of America must understand that their transaction-based dealings cannot work in the Chinese market. Talking about Guanxi relationships, a Chinese trading partner will most likely trade with a person that invites them over for dinner or just a drink. It is through such social ties that a trading relationship becomes established. Understanding Guanxi may be very difficult and time consuming but is the most important aspect of establishing a successful business in china.

The Chinese people see the westerners as people that are selfish and self-centered. Being selfish, the American people have much regard for individual public praise. Praising them as being the most successful individuals brings

pleasure to them. On the contrary, the Chinese people view individual praise as being considerably unethical and immoral (Lee et al, 2001). As such, the Chinese people make decisions through consensus and group discussions. It is for this reason that they do their dealings, including signing a contract, as a company. It is of the essence to note that the Chinese do not use personal signatures but rather prefer the company seal.

While the people from the United States have a lot of regard for change and flexible schedules, the Chinese people are rather rigid and traditional. They embrace traditional beliefs and ethics, Guanxi being the most pronounced traditional practice. Additionally, the Chinese know very well that the people from the United States appreciate the Chinese culture a great deal. They however believe that the American people cannot understand the Chinese culture. According to the Chinese people, entertainment is an integral part of business (Lee et al, 2001). It is for this reason that inviting a potential business associate over towards establishing strong business links.

The Chinese value face to face business communication than the kind of transactions and correspondences where the associates do not need to meet as in ecommerce. In addition to the face to face interactions, the Chinese always believe in haggling. Bargaining over the price of a commodity is characteristic of the Chinese market. This is to suggest that for one to venture into the Chinese market, they should first structure their prices in such a way that they give room for negotiations (Lee et al, 2001).

In the Chinese business environment, communications are reserved. The people are not as eloquent and outspoken as they are in the western world. Their communication styles are ambiguous and can only be made easier

through personal interactions. Such interactions are rooted in the principles of Guanxi and may entail the giving of gifts such as simple artifacts with the emblem or logo of the company for which one works (Lee et al, 2001). In conclusion, it is quite obvious from the foregoing that the American and Chinese cultures and business relationships are extremely difference. These differences arise out of the differences in their cultures and beliefs. It is for this rationale that researchers in the business world recommend that for any western organization to venture into China, it must have carried out adequate research and understood the culture and beliefs of the people.

## **References**

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