

# Evaluate the management approach of jo barnes business essay



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Culture of a society is the shared values, knowledge, traditions, perception and beliefs of different groups of people that are learned from the society. Different cultures affect people's attitude and behaviour that distinguishes them from other groups. Culture is not acquired from birth but is obtained from socializing with other people. Culture also establishes what is acceptable or not in one's society. It is constantly changing and is intangible therefore culture's existence is easily lost. Culture is a result of continuous interaction of people with each other. The human society and culture always go hand in hand for the reason that both perpetually and dependently develops with each other.

It is important for international managers to understand culture since we are now in the globalization era. People are reducing the gap of different countries from each other through this phenomenon. It is also through culture that we embrace diversity and new concepts, not only in business but also management as well. Differences in culture and language may pose a challenge for international managers when commanding a team or group. The skills of the managers in communication will foster motivation among

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employees continuously. Being managers of a cross cultural and multinational organisation, recognizing different cultures, various clients and methods of doing business worldwide can lead them to success. Managers must also acquire sensitivity to foresee and adapt behavioural differences in different organisations. They must also discourage parochialism and practice strategic fit for different situations or behaviours.

Do you notice cultural difference among your classmates? How do those differences affect the class environment or your group project?

Yes, studying in this academic institution has exposed me to a very diverse environment wherein a melting pot of different cultures can be seen, heard, tasted and felt every day. It is a place where everyone can share and exchange traditions, beliefs and ideas thus making every class a different learning process for everybody. The way each student talks, dresses or even behave in the classroom is evident on the culture he or she comes from.

Having a class of students with distinctive cultural backgrounds becomes really interesting when it comes to multicultural education with since students will feel more welcome, belong, and be able to work together with other students in class. In my first hand experience in class, exposing people to different cultures builds an enjoyable and stimulating environment for learning. Each student's national culture also expands beyond the limits of New Zealand's national culture to beliefs and attitudes of people all over the world.

When doing group projects we spend time in learning about and developing an understanding of each other's unique features. Our differences  
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sometimes hinder us from being open thus will result to being estranged from each other. Developing cultural profile with our classmates can help us become more familiar with cultural variables that are common to most cultures. From these, we can identify the differences in each other's culture thus foresee its consequence in class. Talking to one another, being open and willing to try new things, and becoming interested to learn about each other's culture can help us to achieve a more comfortable class environment. The attitude of openness and adaptation provides a positive effect on communication in class which will eventually develop into an environment of learning, understanding and culturally fluent.

## **Question 2**

Critically assess the types of operational conflicts that could occur in an international context because of differences in attitudes towards time, change, material factors and individualism. Give examples relative to specific countries.

### Time

Americans put value in time as the old saying goes "time is of the essence" where it means something must be done immediately. The value time and treat it with utmost importance. They believe that it is a valuable and limited resource that should not be wasted. Deadlines and schedules are created to be followed and complied with. In a n American culture they feel offended when people don't come on time or when schedules are not met thus making them anxious when waiting. These similar traits can be found in Europe as well.

On the other hand, Filipinos tend to establish their value of time from their religious roots or persistent social attitudes. A common attitude of most Filipinos is the “manana” habit, in Filipino translation means “mamaya na” or indefinite time in the near future. While Americans considers deadline as a form of commitment, Arabs often feel that putting a time limit to something may mean as an insult therefore thinks that time cannot be rushed. Important things should be given more time and thus treating each task with value.

### Change

People from the West believe that they have the dominance over the future. They think that they have the power to change what lies ahead of them. In business perspective they think that they have internal power to what will happen to them in the future. However, on the societies on the other side of the world religiously believes in destiny and the will of their creator who controls everything, that is God. In China, they particularly place a great importance in their traditions. They pass on these traditions to their families hence creating a very small room for change. For them, it is difficult to grasp change since it may threaten their entire way of living.

### Material factors

Americans are mostly materialistic in nature. They utilize their resources more compared to other countries in the world. Their perspective in nature is different from other ethnicity such as Koreans and Indians wherein nature is part of their religious worship. While Americans place importance on physical goods and status symbols, other non-Westerners feel that these things are <https://assignbuster.com/evaluate-the-management-approach-of-jo-barnes-business-essay/>

not important. For them the benefits and spiritual reals provided by nature is more important. Therefore, monetary reward and material motivation, such as bonuses and company cars, are more rewarding for Westerners rather than appreciation and recognition.

### Individualism

Americans, as an individualist society, are more inclined in doing things independently in contrast to the group. They have high regard on individual's rights, personal initiative and achievement. Alternatively, Chinese as a collectivist society shows preference for groups. They give importance to the interest of the whole group, show loyalty to the team and are highly collective in nature. They believe in the old saying " together we stand, divided we fall."

### CASE STUDY: Monsieur Hulot

## Question 3

Describe and compare how each of these managers deals separately with the management issue that is affecting the operation of Port Philip Pharmaceuticals.

Jo Barnes is the International Manager of Port Philip Pharmaceuticals (P3), an Australian company with several agencies around the world. Barnes has been working with the company for 10 years and has also been regarded as a very qualified pharmacist in chemical processing. She exercises an Australian way of management, often communicating with local managers by email and makes trips every year to meet with other agencies from

different countries. As a modern Australian woman, Ms. Barnes has showed confidence, individualism and independence in dealing with her work and her colleagues since she sets a high consideration of knowledge of her own expertise and her position in the firm's operation.

On the other hand, M. Hulot is the manager for the French agency, Bonnal et cie. Hulot, as a French professional, promotes cooperation, teamwork, and initiative in their organisation. He usually has issues on giving trust to Australian way of management, communication, product development and generally all things Australian. Because French are very much dedicated to their own culture, M. Hulot's approach to international business is more similar to how they deal with business locally. He is no different than anyone else when managing business however he wants to get a good deal for the company, competes for dominance and presses an advantage when he has one. French just do it differently than the Australians. The French ideal of M. Hulot is never to act like he is trying to negotiate a business deal. Instead he is elaborately polite and formal, even as he is manoeuvring the situation on his advantage.

Evaluate any of the international forces that have affected Port Philip Pharmaceuticals in their operation and its management in France.

In the case given the concept of power distance between Jo Barnes and M. Hulot is very evident since the later, as French, was keen in establishing dominance in the business relationship. The French all participate in the same competition. They are treated like aristocrats, referred to as Maitre, or Master, that rooted long from the time of kings and queens. M. Hulot

defended this status when he refused to communicate with Jo Barnes through e-mail. Though both groups can easily communicate online, M. Hulot still demanded to personally speak to P3's international manager. French have high power distance index, more autocratic and paternalistic. It is therefore a society in which disparity are tolerated. Status is required if not already present. They recognize the command of others based on certain accepted hierarchical positions. On the other hand, Jo Barnes, representing Australians, showed low consideration on the power distance. She was more comfortable with adjusting for the desires of the team, contributing new information to the group as well as critiquing the decision making of those who are in charge. With Australian organisations such as Port Philip Pharmaceuticals hierarchy is established for convenience, and management, such as Alan Peterson, rely on Jo Barnes for her expertise on the matter. Thus communication has become casual, straight to the point and participative.

A multinational company like Port Philip Pharmaceuticals deals with many constituents. Evaluate the management approach of Jo Barnes in dealing with her constituents in Philippines and France.

Cross cultural training in this case has helped Jo Barnes to effectively interact with associates both in the Philippines and France that doesn't necessarily speak the same language nor have the same customs. As Jo Barnes goes global she provided customized cross cultural training tailored to specific work context. When developing new business relationships in other countries it is more important than ever for management to understand the differences not only in time zone and language, but in customs and culture.  
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It is very crucial to understand intercultural management communication skills. This is what Jo Barnes experienced in two different countries from her latest trip for Port Philip Pharmaceuticals.

When she went to the Philippines she noticed that Filipinos have a very hospitable way of dealing with their international business partners. Her Philippine colleagues usually use entertainment and other recreational activities as a medium of establishing business goals. Filipinos show great respect with people in higher rank. They put value in Jo Barnes' suggestions for improvement as well as her business ideas. They also showed eagerness to learn new things from their foreign partner. The Philippine culture is a hierarchical society. People accept a hierarchical order in which everybody has a place reflecting inherent qualities in the organisation.

French business conduct on the other hand is a complete opposite of what Jo Barnes has experienced in the Philippines. She was treated by the French team as foreigner to the group even though they are under one umbrella company. They did not want to consider any new information that she might be able to provide. The French also showed high uncertainty avoidance in the case presented. When Jo Barnes came unannounced without making any appointments M. Hulot felt embarrassed and annoyed at the same time. He wants things to be planned and organized therefore he illustrated a negative reaction to an unexpected situation. He considered any kind of change stressful and perception on work also needs to be detailed.

## PART II

## Question 4

Today, international businesspeople must think globally about production and sales opportunities. Many global managers will eventually find themselves living and working in cultures altogether different from their own. Many entrepreneurs will find themselves booking flights to places they had never heard of.

What do you think companies can do now to prepare their managers for these new markets?

International business is different from national business because countries and societies are different. Societies differ because their cultures vary. Their cultures vary because of profound differences in social culture, religion, language, education, economic philosophy, and political philosophy.

Companies thus need to develop cross-cultural literacy for their managers. Through this managers need not only to appreciate the cultural differences that exist but also to appreciate what such differences mean for international business.

One of the biggest dangers confronting a company that goes abroad is the danger of being ill-informed. To combat the danger of being ill-informed, international businesses should consider employing local citizens to help them do business in a particular culture. They must also ensure that home-country managers are cosmopolitan enough to understand how differences in culture affect the practice of international business. Thus, as part of the management's development program, a manager might be sent on several foreign postings over a number of years to build his or her cross-cultural

sensitivity and experience. Cultural training seeks to foster an appreciation for the host country's culture. The belief is that understanding a host country's culture will help the manager empathize with the culture, which will enhance his or her effectiveness in dealing with host country nationals.

What can entrepreneurs and small businesses with limited resources do?

There is a wide agreement that innovation and entrepreneurial activity are the engines of long-run economic growth. Those who make this argument define innovation broadly to include not just new products but also new processes new organisations, new management practices, and new strategies. Innovation and entrepreneurial activity help to increase in the economic activity by creating new products and new markets that did not previously exist. Moreover, innovations in production and business processes lead to an increase in the productivity of labor and capital, which further boosts economic growth rates.

## **Question 5**

What are the claims of those who say globalization eliminates jobs, lower wages and exploits workers?

Globalization removes the manufacturing jobs in developed nations since wages in developing countries are cheaper therefore companies can put lower price for these products. For example shoes made in China are cheaper than shoes made in USA. Though both shoes may have the same materials used, products that are coming from China can be sold in a cheaper rate because businesses have an advantage in distributing low-cost goods through low-wage nations.

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People also fear globalization because it lowers wages in developed nations. Globalization causes worker displacement that gradually reduces wages. When companies transfer their manufacturing jobs in developing countries the new job pays less than the preceding job. This decreases employee loyalty, morale and job security. Therefore because of this retailers hold the power to compel wages and working conditions around the globe.

Globalization and outsourcing internationally are said to exploit workers in low-wage developing countries. Naomi Klein intensely disagrees with Western companies outsourcing workers to provide customer service assistance from Asian countries. Workers were forced to imitate an American accent and work graveyard shifts for Americans who are awake half way around the world. Since Asians are paid less than the salary American call centres agents should receive, companies are bending towards the former because Asians can do the job in less than half the price.

One concern that globalization opponents frequently voice is that falling barriers to international trade destroy manufacturing jobs in wealthy advanced economies such as the United States and Western Europe. The critics argue that falling trade barriers allow firms to move manufacturing activities to countries where wage rates are much lower. Indeed, due to entry of China, India and states from Eastern Europe into the global trading system, along with global population growth, estimates suggest that the pool of global labor may have quadrupled in the past years. Therefore this enormous expansion in the global labor force would have depressed wages in developed countries.

In the last few years, the same fears have been applied to services, which have increasingly been outsourced to nations with lower labor costs. The popular feeling is that when corporations outsource service activities to lower-cost foreign suppliers they are exporting jobs to low-wage nations and contributing to higher unemployment and lower living standards in their home nations.

The wage gap between developing and developed nations is closing as developing nations experience rapid economic growth. Any migration of unskilled jobs to low-wage countries is a temporary phenomenon representing a structural adjustment on the way to a more tightly integrated global economy.

#### Question 6

One strategy Yahoo! Could use to deal with the Chinese government is to allow its local joint venture partner, Beijing Founder Electronics, to deal with the government. What are the benefits and risks of doing so?

The government activities show an important variable in reaching success in the business environment today. Each step in business operations are affected by laws and regulations. The correlation of government and business is complex, with both positive and negative aspects in terms of what can be called the public good. It is beneficial because the Yahoo! dealing with government can influence the taxation level and constraint on sending back profit.

Yahoo!'s joint venture with Beijing Founder Electronics has a number of benefits. First, Yahoo! can benefit from its local partner's knowledge of the competitive conditions, culture, language, political systems and business systems in China. Second, when the development costs or risks of opening a foreign market are high, Yahoo! might gain by sharing these costs and or risks with Beijing Founder Electronics. Third, political considerations make joint ventures the only feasible entry mode of a foreign company. Joint ventures with local partners face a low risk of being subject to nationalization or other forms of adverse government interference.

Despite these advantages, joint ventures have major disadvantages. First Yahoo! enters into a joint venture risks giving control of its technology to its partner. Moreover, this joint venture does not give Yahoo! the tight control over a foreign subsidiary that it might need in engaging in coordinated global attacks against its rivals. Another risk is that the shared ownership arrangement can lead to conflicts and battles for control between Yahoo! and Beijing Founder Electronic's goals and objectives for the joint venture since conflicts tend to be greater when venture is between firms of different nationalities.

How does a strategic alliance differ from a joint venture? Explain the plus and minuses of such alliances.

Strategic alliance is the agreement between potential or actual competitors. It ranges from formal joint ventures, in which two or more firms have equity stakes, to short-term contractual agreements, in which tow companies agree to cooperate on a particular task. Collaboration between competitors is

fashionable and this era has presented a number of alliances in different business around the world.

Firms ally themselves with actual or potential competitors for various strategic purposes. First, strategic alliances may facilitate entry into a foreign market. Second, strategic alliances allow firms to share the fixed costs and associated risks of developing new products or processes. Third, alliance is a way to bring together complementary skills and assets that neither company could easily develop on its own. And lastly, it can make sense to form an alliance that will help the firm establish technological standards for the industry that will benefit the firm.

Despite these advantages some strategic alliances give competitors a low-cost route to new technology and markets. Unless these alliances are careful it can give more than it receives.

On the other hand, joint venture entails establishing a firm that is jointly owned by two or more independent firms. Establishing a joint venture with a foreign firm has long been a popular mode of entering new market. The most typical joint venture is a 50/50 venture, in which each party holds a 50 percent ownership stake and contributes a team of managers to share operating control. Some firms however, have sought joint ventures in which they have a majority share and thus tighter control.

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### PART III

#### Question 7

Evaluate the management strategy used by Brandon in order to finalise the deal of the Yokohama parts with M. Kumatsu and how it led to success or failure of the deal.

The strategy that Brandon used to deal with Yokahama by Mr. Kumatsu as the new appointed Japanese executive was founded on the decisions made by the Administration. It is centered on the individual's merits and demerits relatively than other strategies such as political or economic. In my opinion it



should not solely be based on the new administration but should also be founded on economic and political aspects of the country.

Design an effective management strategy for Brandon to successfully achieve a good international dealing with their company's suppliers in Japan.

Mr., Kamatsu is a newly appointed Japanese executive therefore his management is different from the previous executives. Their deals before will no longer be considered in the new management.