

Intercultural business skill report sample

Business, Company



Wheelabrator Alleward is a manufacturing company that deals mainly in metallic abrasives. The company's flagship product is W. Abrasive, but it also sells variations of the same or abrasives made of iron particles in other regions such as England and Slovenia. Wheelabrator Alleward has a presence in about 87 countries across the globe. The company grew from its humble beginning as a middle-sized European corporation in 1962 to an expansive corporation operating all over Africa, Asia Pacific, Arab Gulf, North America and South America. Currently, the company supplies about 13,600,000 tons of products annually; this is 30% of the global market share.

Wheelabrator Alleward has operated successfully on several continents because it has been able to understand and adapt to the culture of the host country and the nature of the market. To understand the kind of challenges that Wheelabrator Alleward had to deal with, this paper will examine the business culture in Brazil, Germany, Italy, Japan, South Korea and USA. It is important to note that culture is not static; therefore the present conditions may not be the same as the one that the company had to face when it was setting up.

Brazil

Brazil is a Portuguese speaking country in the eastern part of South America. The country has a population of about 184,000,000 million people white, mixed, black and other races (Morrison, Terri & Wayne 56). Brazil is a diverse society in which the descendants of the native settlers mingle freely with the descendants of the slaves and other settlers. Racism may not be pronounced in Brazil, but there is a distinguishable class system. Generally, the darker skinned Brazilians belong to a lower class and perform menial jobs such as

drivers, gardeners and housemaids. Class is determined more by economic status rather than skin color.

In business, Brazilians prefer to know the people they are doing business with in person. It is therefore important to establish physical contact as soon as there is a reply to impersonal means of communication such as e-mails. Communication is largely informal because they do not follow strict forms of formal communication. During meetings, men shake hands firmly while maintaining eye contact. Women kiss starting from the left cheek to the right cheek. The country is also group oriented, it is therefore important not to embarrass or reprimand a Brazilian in public or team meetings because they lose face in their group (Morrison, Terri & Wayne 57).

Wheelabrator Allevard entered the Brazilian market through a joint venture with IKK Brazil. A joint venture is usually a safe bet when entering a new market because the new entrant can rely on the local partner in areas such as communication and language, direct employee relations and understanding the market. The executives from Wheelabrator Allevard must have conducted a thorough market research because they chose to join forces with an established partner. Wheelabrator Allevard mastered the art negotiating skills, meeting etiquette and the social structure of the Brazilian society. To its advantage, the country has a large, well educated population that can provide skilled labor (Morrison, Terri & Wayne 58). The country also has one of the fastest growing economies in the world which require large volumes of industrial products such as steel abrasives. This is why Wheelabrator abrasives sold about 24, 000 tons of steel abrasives.

Germany

Germany is a country located in Central Europe. It has an estimated population of 82, 000, 000 million people of German, Turkish, Italian, Polish and Russian descent. The official spoken in Germany is German. Germans are careful planners; they live by rules and regulations which are used to create a sense of order and security. Germans put clear boundaries between work and personal lives. Working past the normal working hours is not viewed as diligence but as a sign of poor planning (Morrison, Terri & Wayne 73).

In business, Germans are more interested in the credentials of a person and the expertise of the company as opposed to personal life. Communication is highly formal and strictly limited to business. According to Jennings (33), Germans show respect to authority by identifying the position of an individual in relation to their own position. During meetings, Germans adhere strictly to agendas and time schedules. Business decisions are made by the top most personnel in the company hierarchy; the decisions are then broken down into small actionable steps that can be performed by the low level employees in the hierarchy. Once a decision has been made, it is irreversible. Wheelabrator Alleward expanded into Germany soon after the two parent companies merged in 1961. This was part of its expansionist program. Germany was a strategic market because it had recovered from the ravages of World War II and was established as an economic powerhouse.

Wheelabrator Alleward relied on its quality product, strong brand name and organizational structure to establish itself in the German market. Managers

in the company had to deal with racism and anti-Semitic sentiments that were present in German society.

Italy

Italy is a country located in Central Europe. The country is predominantly Roman Catholic because the Vatican, the headquarters of the Roman Catholic is found in Italy. The official language for conducting business in Italy is Italian. The family is the centre of all social interactions. Italians rely on family for emotional, financial and moral support. Clothes are very important to Italians; they use clothes to assess the social status of an individual even before speaking to them (Morrison, Terri & Wayne 82). Religion is an integral part of Italian society, many buildings have religious symbols. Most days in the calendar year are assigned to various saints. Each trade has a saint associated with it. Italians value personal connections. They prefer to know the individuals they are conducting business with. According to Jennings (98), one has to create a good first impression because it will last throughout the negotiations. Italians are also extremely expressive communicators. They use a lot of words and gestures to express their points. Business meetings are conducted formally; appointments, confirmations, agendas and time consciousness are necessary but not used strictly during the actual meeting. The final business decision is often made outside the formal meeting (Jennings 99).

Wheelabrator Alleward expanded into Italy in the 1960s. Apart from providing a excellent product, company executives must have had to tone down their marketing strategies from high powered strategies that may have been effective in Germany, to friendlier, personal approaches. Wheelabrator

Alleward had to respect age, hierarchy and power in business and in social interactions. The company had to obey religious days and celebrations and allow employees to express their religion through personal items such as prayer chains, rings and bangles.

Japan

Japan is a country located in Eastern Asia; it has a population of over 127, 000, 000 million people. 99% of the population speaks Japanese (Morrison, Terri & Wayne 102). The Japanese are a dignified people; they will do anything to save face and maintain their dignity. They will turn down a business offer that they consider offensive or undignified. Harmony is very important in Japanese society, business and family life is guided by the principle of harmony. Children from a young age are taught interdependence and discouraged from independent behavior. The Japanese value politeness, cooperation and personal responsibility. They find respectful and subtle ways to disagree with facts and positions (Aswathappa 136).

The Japanese understand the difficulty that foreigners have in trying to conduct business in their country. They are often willing to offer assistance and guidance wherever they can. However, foreigners have to learn and obey the hierarchy system, respect, politeness other social conduct. A company should avoid using the number 4 since it is associated with death. Additionally, the Japanese engage in business with a view to create long term relationships. Before they commitment, they may test the reliability of the business by giving small, difficult of less profitable tasks to gauge quality and reliability.

South Korea

South Korea is located in Eastern Asia on the southern part of the Korean Peninsula. All Koreans belong to one ethnic family and speak the Korean language. Koreans live by Confucian teachings which place great value on the family. The father is the head of the family and is responsible for providing food and shelter to his immediate and extended family.

Confucianism also teaches duty, honor, loyalty, piety, sincerity and respect for the elderly (Morrison, Terri & Wayne 132).

Koreans place personal dignity and saving face on a pedestal. 'Kidun' is a term that describes face, mood, pride and the state of mind that one should maintain (Jennings 89; Morrison et al 133). While interacting with Koreans, it is important not to hurt their kidun. The kidun is present in all spheres of Korean society from the family to the workplace. A manager should maintain harmony by ensuring that his/her kidun and that of the employees is protected at all times.

Wheelabrator Allevard ventured into the South Korean market in 1992 through 80/20 venture with Seoul SHOT. The company may have had challenges keeping the kidun system which is critical in Korean society. The company may have had to adjust any product packaging that put products in groups of 4. Furthermore, the company had to understand Confucian teachings and how they influence business operations, advertising media and employee relations.

USA

The USA is composed of 50 states located in North America. American is considered a nation of immigrants because it is composed of groups of

people who immigrated into the continent. The population is predominantly white, followed by blacks, Asians and other native populations. Americans are friendly; they can talk freely with strangers. During meetings, they use handshakes and a simple 'hallo'. Americans value time like money, timeliness is very important in business and social interactions. Business dress depends on the day of the meeting; generally, conservative formal suits are worn by business executives. Personal relationships are often built after business contracts have been signed (Morrison, Terri & Wayne 204). Wheelabrator Alleward took over Wheelabrator Corporation in 1991 and acquired National Metal in 1999. The company's success was because it was able to provide value for money and time. Despite their informality, Americans respect authority, experience and qualifications. Businesses use a highly defined organizational hierarchy.

Wheelabrator Alleward has made a series of strategic business decisions across the globe. The company uses joint ventures in countries where the business culture is difficult to understand such as Asian countries. In Europe and the Americas, the company took over local manufacturers. They used quality products, innovative technology, a strong brand name and a broad sales network to succeed. In addition to these strategies, the company continues to use pricing, direct sales, advertising and efficient distribution to retain and expand its market share.

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