

# Cultural environment of international business

Business



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## Cultural Environment of International Business

When working in a global business environment, knowledge of the influence of cultural differences is one of the keys to international business success. Regardless to the industry in which you operate - finance, technology, or computers, and consumer electronics, global cultural differences are a direct impact on you and the profitability of your business. Improving levels of cultural awareness can help companies build international competencies and enable individuals to become more globally sensitive. In case of international businesses, we handle diverse cultural environments distinguished by unknown languages and inimitable value systems, viewpoints, and behaviors. Customers and business partners both have different lifestyles (Wetherly, 2011). The management of an organization operating globally has the maximum responsibility of handling cultural differences existent in any global workplace.

Definite handling of the cross-cultural interface is a critical source of a firm's reasonable advantage. Managers need to develop not only understanding and open-mindedness towards cultural modifications, but also purchase an appropriate degree of realistic knowledge about the beliefs and values of foreign colleagues. Cross-cultural proficiency is paramount in many managerial tasks, including: production of products and services, foreign business partners interaction, foreign distributors and other partner's selection, construction of international business ventures, interacting with current and potential customers from abroad, overseas trade fairs and exhibitions preparation and advertising and publicity campaigns (Cavusgil, knight, & Riesenberger, 2012).

Molinsky et. al (2012) inform that managers working for global firms have to <https://assignbuster.com/cultural-environment-of-international-business/>

learn the art of code switching between cultures. It means that the managers are required to understand and act according to the cultures in which, they are working. They have to learn about diverse cultures and have to develop a ' global mind set'. The global managers working for international organizations are required to show skills in adopting new contexts and excelling in the norms of diverse cultures (Molinsky, et. al, 2012). Therefore, a person having international management capability must be comfortable at cultural code switching.

Managers working in different cultures work differently. For example, some managers give precise instructions and detailed work to be done, and others give instructions that are vague and incomplete. If you do not feel comfortable working with minimal guidance or take independent action, then you may have a problem in the installation in some cultures. Managers have to understand cultural norms and traditions. For example, in the West, " the customer is king", but in Japan, " the customer is God." When customers walk in retail stores in Japan, they are greeted with strong cries of " Welcome" and choruses of " thank you" when they leave a number (Cavusgil, knight, & Riesenberger, 2012).

The managers should not be resistant to change and should be innovative and flexible. Management of an organization must have good communication skills and must be knowledgeable about diverse cultures in their organizations so that they can assist their workers and can become aware as to what should be done and when. They must be culturally equipped and adaptive to changes necessary for the organizational welfare. International businesses have to encounter the problems associated with diverse cultures and must appoint managers who are communicative, well verse about <https://assignbuster.com/cultural-environment-of-international-business/>

different cultures and flexible to change as per the requirements of the businesses.

References