

The operation of port
philip
pharmaceuticals
business essay



Culture of Society is the difference in beliefs, traditions, values shared within a group of people usually of the same nation that distinguishes it from the other group.

It is the way of life adopted by a certain group of people of a particular society at a specific time and place. A phenomenon of inheritance unconsciously acquired by a person who is born within that group through the process of socialization.

It contains the beliefs, behaviors, objects, and other characteristics common to the members of a particular group or society. Through culture, people and groups define themselves, conform to society's shared values, and contribute to society. Thus, culture includes many societal aspects: language, customs, values, norms, mores, rules, tools, technologies, products, organizations, and institutions. [http://www. cliffsnotes. com/study_guide/Culture-and-Society-Defined. topicArticleId-26957, articleId-26848. html](http://www.cliffsnotes.com/study_guide/Culture-and-Society-Defined.topicArticleId-26957,articleId-26848.html)

International Managers should be familiar with the difference in culture of all of their colleagues to have a harmonious relationship and to use different approaches when handling situations.

In our group projects, most of us have different point of views when it comes to how we should present the project and how to come up with the best idea that will benefit the group, the positive side is we are sharing all our different experiences from our own countries which is good because we realize than we can learn from each others experiences. We are gaining the knowledge about their culture and they are learning from ours.

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On the other hand, because we have difference in culture and ways of understanding situations, conflicts within the group arises due to different perspective and approach.

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 relative to specific countries.

Different countries have different attitude towards time, there are people who are very sensitive and very particular when it comes to time, but there are some who are not putting a lot of attention to it. It is always best to be punctual to make a good impression and give you time to get ready for any presentation before the meeting or appointment. The Americans values their time a lot, they come in their appointments or meetings ahead of the agreed time. They try to finish there assigned task on time to prevent any delay on their operation. The Spanish on the other side, have no sense of time and has a “ manana” habit, where in if they need to do something today, they decide to do it later. As a result of the delay, they end up not doing it, causing the delay in the operations.

When it comes to attitude towards change, Western culture consider change as positive business opportunity, for them constant innovation is good and can make the company bigger and stronger, while, the Muslims are not open to change, due to effect on the gender role and religious practices. There are some restrictions in their culture and gender plays major role in their culture,

like they have high regards for their women, and some women are not allowed to work.

Western countries are said to be materialistic in culture, they do not care much about their natural resources, for them these resources should be used up to the maximum to progress and to be on top. Like their lands should be filled up with high rise buildings and whatever in that land that can be transform into business like mountains with gold should be collected, trees should be turn to papers, furniture or plank for their houses, same goes with the sea and land resources. While the Asian culture have high value for their natural resources, as much as possible they would preserve it for the future generation, they think of what will happen in the future and the effects of too much exploitation of their natural resources.

Individualism is a major conflict in the operation, Individualistic people have high regards on their abilities, knowledge and skills, they want to do things on their own, they are comfortable in doing their jobs alone, they are better off working alone than working in groups, Individual achievement is highly valued. They maintain loose social culture and are independent, they have initiative and they are hungry for achievements. The best example is the Australian culture. Moreover collectivist culture values the overall good of the group, they are very loyal to the group and they submit their individual interests for the benefit of their group, they are more concern on achieving their group goal than their own individual goal and look after the interest of the group, like the Filipino culture.

Hill, Charles W. L. International business: competing in the global marketplace: postscript 2001/ Charles W. L. Hill.-3rd ed. P. cm. New York 2001

Question 3

Jo Barnes and Monsieur Hulot are both managers of Port Philip Pharmaceuticals are based in two different countries. Jo Barnes is an Australian International manager who oversees the operation in France under the management of Monsieur Hulot, a French national. Describe how each of these managers deal separately with the management issue that is affecting the operation of Port Philip Pharmaceuticals

Answer:

Jo Barnes is the International manager of Port Philip Pharmaceuticals, an Australian company with agencies worldwide. She communicates with the other local managers through email. Being an Australian, she is familiar on how the company wanted things to happen, how the higher management decides and resolves issues. She is an individualistic type of Manager who likes to do things on her own and wanted the other local managers to follow her suggestions and ideas on how to handle things based on the company policies and procedures.

When Jo Barnes went to France to assist them on how to resolve the issue of too-short life of one of P3's painkillers, she was expecting that Monsieur Hulot and his staff would be impressed with her knowledge, expertise and position in the company, being the director of international operations. She has an attitude of being superior. She also expects that all the staffs would

know how to speak English, the universal language. Though she attended a lecture on French culture before going on the trip, she doesn't want to embrace it at all. She did not learn any simple French words to start a conversation.

When she knew that her French colleagues would not accept or even listen to her suggestions because they think that her qualifications are inadequate, because her French colleagues have high opinions of themselves and their professional knowledge, she decided to use another strategy, this time she congratulated everybody on its fine reputation and stated all the good things about French people, how they are committed to their work, how creative and innovative they are, and how proud everybody in Brisbane was of its 'French connection'. Delighted with the words that she used, her French colleague started to contribute their ideas on resolving the problem on the painkillers too-short life.

She gained the respect of her French colleague and at the same time she now have high regards of respect for them especially in their commitment to their areas of responsibility, their theoretical approach to problem solving and for their pride in their work. She learned that culture plays an important role and a factor to consider especially if International business is involved.

On the other hand, Monsieur Hulot, the French Manager who is always in contact with Jo Barnes through e-mail, has a lot of trouble in balance sheets, emails and in general of all things Australian. He always has questions or issues in the research and development of new products. Being French, he has a strong regard for the honor of the group and very outspoken on

whatever he think or feel in regards to other people whether it is on the positive or on the negative side.

He requested Jo Barnes to visit their office to help them and discuss their issues on the too short-life of one of their painkillers. But when Jo Barnes arrived, he treated him very coldly and unsympathetically. He expects Jo Barnes to speak their language and have a presentation in French. Delighted with the good things that Jo Barnes had told them, He began to open up and accept all her suggestions and his bad notions against the Australians were replaced with gratitude and respect especially for Jo Barnes.

One of the challenges of International business in different countries are the different forces of the international environment that impacts the role of management of a multinational organization. Evaluate any of the international forces that has affected Port Philip Pharmaceuticals in their operation and its management in France?

The difference in culture and language of Australia and France made a great impact in the operations of Port Philips Pharmaceuticals in France.

Australians are known to be individualistic, independent, initiative, and they can do things on their own. On the other hand, the French believes in unity of direction, unity of command, teamwork, cooperation and strong regard for the honor of the group.

In the International business, the headquarters and the host countries should both adopt and know the culture of each other to have a harmonious relationship. Each country should adjust to the requirements and needs of

both the headquarters and the host country, for them to function well and to communicate well.

Language Barrier is usually the start of arising conflicts in the international businesses. They have different understanding on the meaning of words or processes. They are facing difficulties in communicating within their multinational organization. For Port Philip, this is one of the reasons why Monsieur Hulot finds it difficult to follow the processes and requirements of the Headquarters in Australia. He has different understanding when it comes to balance sheet, because they have different way of presenting it. But the Australian Headquarter needed a report that will be the same on how they are doing it in their country. And their way of communication which is usually through email is also one of the factors why they are having a lot of misunderstanding, it is easy to understand the concept if you are talking to the person personally than just writing emails.

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

Jo Barnes used a different approach for their constituents in the Philippines and in France. In the Philippines, knowing that the Filipinos are more of the Power distance they prefer partnership, they accept status differences and are expected to show proper respect to their superiors, Jo Barnes was well accepted and accommodated in the Philippines. They listened to her suggestions, opinions and instructions very carefully, though she is doubtful

that they will implement all of her proposals. Language was not an issue, because most of the Filipino speaks and understands English very well.

When she went to France, she expects to be treated the same way but it was the other way around and most of them cannot speak English. Her first approach was unsuccessful due to the way she handles things being an individualistic type of person. She realized that she will never finish her assignment on time if she will not change her approach towards her French colleagues, so what she did was to speak well of them and commend all the good things that they did for the company. Knowing that the French people are more of the collectivist and high power distance people, where in they are very loyal to their group and the same time they have preferences for status differences and threats those at lower level with dignity. They adore being praised for their abilities, knowledge and skills. After her good speech, her colleagues started to talk and brainstorm for ideas, they are cooperating well with Jo Barnes, and allowed her to do trainings. They are now open to learn and listened to her suggestions. She was able to earn their trust and respect.

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 place they had never heard of. What do you think companies can do now to prepare their managers for these new markets? What can entrepreneurs and small businesses with limited resources do?

Companies should train and create a strong socialization process for their managers for them to act globally and practice globalism. They should be able to embrace and adapt to different cultures, their values, perceptions, beliefs and language, for them to communicate and exchange information. Knowing their organizational culture will assist them on how to do the business, what kind of services or goods to offer that will create value and acceptance. They should also be aware of the Political dimension, which regulates the relationships among nations. What are the dos and don'ts in each country, how their government works, tariffs, their environment and political issues.

The Managers should improve their knowledge and constantly modify their organizational behavior to become an important part of successful business formula in order to respond to the challenges brought by the global economy.

The companies should always motivate their managers by treating them as assets of the company through proper training, benefits like health, evaluation appraisal, and suitable salary.

What the entrepreneurs and small businesses with limited resources do is focus on providing the highest quality service or product and know their target market. They should also practice globalism. Learn and share from various countries in order to adopt new elements in their operation to be more flexible and embrace new market trends.

Small businesses should also think of how to grow their company by strategically planning their future growth in the global market. Constant innovations in the service and products are a must, for them to compete and grow in the global market. They should also use new business approach and possess a strong will for organizational changes and adaptation in the global market demands.

Question 5

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

They say that globalization eliminates jobs in developed countries because the international big manufacturing companies move or relocate their manufacturing or production of goods to countries where labor cost are much lower than their own country. The finished products are then transferred back to them and sold on high prices like Ralph Lauren and Nike products. Workers are laid off and job opportunities are eradicated.

International Outsourcing of production and services exploits workers from

developing countries because they are offered the lower wage compared to the minimum wage in their own countries. The Contact Center of DELL in the Philippines for example pays only 1.98 US dollars per hour for its contact agents, if they decide to move it back to the US, they will have to pay 8.00 US dollars per hour. They are saving us much as \$6.00 per hour per agent.

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 Benefits of using their joint venture partner Beijing Founder Electronics, is that they can now easily penetrate the market of China and reach the target audience when in terms of traffic, advertising, household and business users. They were able to access technologies, patented processes and gain access to the distribution network of Beijing Founder Electronics, which is known as a leading Information technology company in China and their research and development center is the world's largest research base for the Chinese publishing system. They will also avoid import barriers, licensing requirements and other protectionist legislation. There is also sharing of risk and cost.

The risk includes differences in national cultures, difficulties with integrations of different structures and systems, distribution of power and conflicts relative to decision and control. There are also Government issues like levels of taxation and how much profit goes to each party. They will be dealing with

regulations on how many percent can they own, labor union rules, hiring and minimum wage, patent and copyright protection.

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

The term Strategic alliance is used in the government point of view. It is a form of collaboration between two or more companies that can take on many forms such as:

Transfer of technology – knowledge on the technology or the company who is more advance will share its information system to the company that needs development.

Purchasing and distribution agreements- the other company will be the one in-charge in the purchasing of raw materials and the distribution of the final product.

Marketing and promotional collaboration – the other company will be in-charge of the marketing and promotional of the final product in their country but the distribution and production of the product will be done by the other company.

Joint product development – a combined contribution of the companies in developing a certain product only. The other companies will do distribution and marketing.

The term joint venture is used in the business perspective that involves a potentially long-term investment of funds, facilities and resources by two or

more companies to a combined venture, which benefits all the companies. All involved will have equity at stake in the new venture. A joint venture may be formed to:

Run production facilities in another country

Establish a marketing and distribution presence

Use complementary technologies held by each participant

The advantage of having a business relationship with a partner allows companies to access each other's technologies or patented processes and access to each distribution network. The cost and risks will be shared by the companies involved. Alliances serve to avoid import barriers, licensing requirements and other protectionist legislations.

The disadvantage of forming a joint venture or strategic alliance is that it is very difficult and will take time to implement. There are issues in differences in national culture, difficulty in integrating the different structures and systems, distribution of power and conflicts relative to decision and control. It is also a new form of competition to the participating companies because the aggressive company tends to dominate the other companies.

Question 7

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

Brandon had spent weeks negotiating with Mr. Kamatsu because he is tough in the negotiations. Brandon finally thought of a common scenario that can be both beneficial for them. In my own opinion, the deal did not materialize because it took Brandon a lot of time to finally decide and come up with an idea to get the approval of Mr. Kamatsu. After thanking Brandon, he left the meeting without saying anything, and nothing was heard from him from then on. If it was a successful deal, Mr. Kamatsu would have stayed and discuss it further with Brandon and draw a draft of the contract.

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

Brandon should have considered that Mr. Kamatsu is a newly appointed Japanese executive. Their previous negotiations before will not be considered and the perks that they are enjoying before may not be the same. He should have analyzed the situation properly and did some SWOT analysis before negotiating. He could offer Mr. Kamatsu the best deal by taking into consideration on how the new executive would decide, and how each company can benefit from the deal.