

Cultural differences in business assignment

Sociology



Touro University International MGT 501 Module 1, Case Assignment Dr.

Debra Louis INTRODUCTION The purpose of this report is to identify at least three specific ways that cultural differences would affect doing business internationally, as well as what specific skills global managers would need to address with these differences, and finally if I think expatriate or foreign-national managers would be better equipped to deal with these challenges. This report will provide the reader with some facts on cultural differences and the affect on business internationally.

It will also give some skills global managers can utilize to address those cultural differences. By discussing these topics I hope to offer some knowledge and solutions on the affects of cultural differences. I will conclude this report with a brief summary of the entire analysis, highlighting some of the most significant parts that the report contains. CULTURAL DIFFERENCES

In the book “ Blunders in International Business” by David A. Ricks he explains, “ Cultural differences are the most significant and troublesome variables ... the failure of managers to fully comprehend these disparities has led to most international blunders. Some ways that cultural differences could affect doing business internationally could first start with technology. In the article titled, ‘ What Does the Future Look Like? ’, Peter Cochrane explains “ we are very, very good at predicting what technology is going to evolve into and at approximating when. But we’re bad at predicting what people will do with the technology when they get it. ” I think that technology plays a huge part in the cultural differences. For example In the United States (which is technological giant), we have become very dependent on computers playing a huge roll in our daily work load.

In my job as a Health Service Management Administrator, I use many computer-based programs to input medical diagnoses and medical fee schedules. I have become so dependent on this system that when there are problems with one of the programs, I find myself trying not to panic while I quickly call our information system specialist to come down and fix the problem. While on the other hand, there are some areas in Africa that does not have the same technological advancements as the United States. If you were to send an American worker to those areas they may find it hard to get use to the idea of doing the work manually.

If someone is not used to working with the technology that we have become so accustomed to, it may prove to be difficult to get them to use our technology. Another cultural difference could be language; not understanding you're your international business partner could cause a problem. For example, if you were on a business trip in Mexico, one cultural difference you may notice, is that many Mexicans tend to affix the word "no" to the end of a statement, seemingly turning each statement into a question.

Many statements are not meant to be questions and can be recognized as such by body language common to both countries. Another prime example of this can be found in India. The Indian English is not the same as American English. Indian accents can sometimes be difficult for Americans to understand, not to mention that there are different Indian accents. Also, Indians often use a side-to-side head gesture to signal agreement rather than disagreement. Finally, consider international customs as another type of cultural difference.

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For example, if you were to write a note stating that a meeting will be on 3/4/06, in Mexico they will think the meeting will be held on April 3, 2006 instead of March 4, 2006. In Chile, women often greet both other women and men with a kiss on the cheek, while in Russia women often walk arm in arm with their female friends. ADDRESSING CULTURAL DIFFERENCES Aaron Pun, a Canadian ODC net correspondent, wrote: " In studying cross cultural differences, we are not looking at individuals but a comparison of one ethnic group against others. Hence, we are comparing two bell curves and generalization cannot be avoided. I do not believe that it is hard to address these cultural differences. We must ensure that our employees are well trained and aware of the cultural differences they are facing. In the article, " Managing Cultural Diversity In A Global World" by Edward Burman, he explains that " Cultural training is essential to avoid potential conflict, and to improve the disastrous failure rate of joint ventures in the recent past. In fact, most telcos with global ambitions now provide cross-cultural training in order to create genuinely international managers. I believe that properly training your employees will help to close the cultural gap that could exist if he or she does not understand the customs of that country. As long as you know in advance that you will probably fall prey to culture shock at a certain level, you can prepare yourself psychologically to accept the temporary discomfort and turn it into an advantage by learning from it. Remember that you are not the only one experiencing occasional frustration, irritability, and depression, etc.

Falling victim to culture shock, in other words, does not imply the existence of any psychological or emotional shortcomings on your part. As Robert

Kohls explains, " Culture shock is in some degree inevitable... and is the occupational hazard of overseas living through which one has to be willing to go through in order to enjoy the pleasures of experiencing other countries and cultures in depth. " EXPATRIATE OR FOREIGN NATIONAL In the article " Making the Executive Suite A Mirror of Global Markets" by Robert J. Freedman he explained, " The biggest trend is that, as U. S. ompanies have globalized, they've gotten to the point that they don't think of expatriating U. S. ideas or U. S. people as the only way of doing business... So the percentage of expatriates at American-based companies who are American has gone down. " I believe that it is a good idea to have foreign national managers help prepare companies with the tools needed to handle cultural differences. Take, for example, the military; the military employs foreign nationals to teach us how to react to customs in Iraq so that we can help them protect their land without offending their culture.

Expatriates and foreign-nationals may still have some type of language barrier, so organizations must do what is best for the company. Whether it is to train the foreign national, or an expatriate, or to deal with the cultural differences. CONCLUSION Cultural differences can affect how we do business in other countries the real challenge is how we deal with those challenges. In the article " Cultural Difference? Or, are we really that different? " by Gregorio Billikopf Encina explained, " There is much to be gained by observing how people of the same culture interact with each other.

Don't be afraid to ask questions as most people respond very positively to inquiries about their culture. Ask a variety of people so you can get a balanced view... Making a genuine effort to find the positive historical,
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literary, and cultural contributions of a society; learning a few polite expressions in another person's language; and showing appreciation for the food and music of another culture can have especially positive effects. " We must know there is a difference in technology, language and international customs.

We can deal with these differences with proper training and a willingness to learn. WORKS CITED 1. Retrieved 15 April 06 from the World Wide Web: <http://www.cnr.berkeley.edu/ucce50/ag-labor/7article/article01.htm> 2. Retrieved 15 April 06 from the World Wide Web: <http://www.studyabroad.com/handbook/cultdiff.html> 3. David A. Ricks " Blunders in International Business" April 2006. 4. Retrieved 20 April 06 from the World Wide Web. http://www.nssa.us/nssajrnl/NSSJ2003%2020_2/html/08Hourcade_Jack.htm 5. Retrieved 22 April 06 from the World Wide Web. <http://www.spatial.maine.edu/ThinkTank6/goals.html> 6. Retrieved 19 April 06 from the World Wide Web. <http://www.fastcompany.com/ftalk/london/future.html> 7. Retrieved 18 April 2006 from the World Wide Web. <http://www.workinfo.com/free/Downloads/299.htm> 8. Retrieved 18 April 2006 from the World Wide Web www.referenceforbusiness.com/management 9. Retrieved 18 April 2006 from the World Wide Web www.eweek.com/article2 10. " Cultural Difference? Or, are we really that different? " By Gregorio Billikopf Encina