West and East in Pictures: At a Party
West and East in Pictures: Problem Solving
West and East in Pictures: Time
The Cost of Life?

China does not permit surrogate parenting, but that country's rising affluence has given many couples the option of coming to U.S. surrogacy clinics. California, with its large Chinese American community and its courts' liberal attitude toward surrogacy, is a prime destination... Most Chinese couples insist on eggs from ethnic Chinese women, which has led to inflated prices, said Dr. Jeffrey Steinberg of the Fertility Institutes in Encino. A Caucasian woman normally gets about $5,000 to $8,000 for 10 to 14 eggs, Steinberg said, with the money technically being paid for the energy, time and pain associated with the "donation." An ethnic Chinese woman can command $15,000 and up for her eggs, according to Steinberg and other surrogacy specialists.
Winston Churchill on Culture

The United States and Britain are two great countries divided by a common language.
The Business Ethics Class and the Cross Cultural Experience

Why do I conduct class the way I do?
Project Management Framework

• Are you adapting or are you expecting others to adapt to you?
• In an international business environment, how do you work to minimize misunderstandings or miscommunications that may prevent you from reaching your ultimate goal?
• What could the foreign managers/company have done better?
• What could the Chinese managers/company have done better?
Cultural Variance in Public Relations

• What actions did Coke take but more importantly *why* did they take them?
• How much did cultural factors impact why Coke chose a specific course of action?
• How much did cultural impact each countries reaction to the problems with Coke?
• Does the impact of culture apply to personal relationships as well as public?
Cross Cultural Business Ethics

- What are examples of cultural norms in business?
- What are examples of cultural ethics in business?
- If a Chinese banker moves to the United States, should they adapt US ethics or should the US company adapt?
- What if an American was coming to work for a Chinese company?
Gift Giving and Bribery in China

- Where do you draw the line between gift giving and bribery when dealing with the government or people of influence?
- How does this apply outside of China to other countries where gift giving is common?
- Does the value of the gift matter or is it the intent behind the object given rather than the value?
Case Studies and Foundational Reading Details
“Confrontations are avoided and human relationships are highly valued in Asian societies. In contrast, personal relationships to the Americans are less important when doing business. Americans like to get to the point more quickly and directly even though such an approach may embarrass someone personally and publicly.”

“Some cultures such as those in Asia, Northern Europe and South America also emphasize social status which is reflected, among other things, in seating arrangements and other protocols based on positions. On the other hand, the North American culture tends to place more emphasis on competence.”
Project Management II

• “The organisational culture of an existing company reflects the national culture in strong forms. It is logical for members of an organisation to resist plans to impose a culture that does not reflect their national values. Hence, an understanding between top management and employees is critical to avoid unnecessary conflicts.”

• “In cross-cultural management, managers should also be sensitive to the non-verbal signals used as these signals may have a significance which is different from what they are accustomed to in their own culture. When perceived wrongly, these signals may be interpreted differently in a different cultural setting. For example, Americans are not comfortable with silence and reserve. Taking time for reflection is often seen as evidence of ineffective management. On the other hand, in Japan, managers dismiss this propensity for action and decision as impulsiveness.”
“APC did try to understand the Chinese culture by bringing two China experts into its team for advice. The China experts understood correctly that the Chinese regard modesty as a virtue and abhors aggressive salesmanship. APC was therefore advised to adapt to Chinese customs, regulations and methods of working to the best of its ability. While an awareness of organisational culture must be brought to the attention of all employees, the foreign project manager has a crucial role to play in integrating cultural diversities among different team players.”
Project Management IV

• “...the Chinese confession over their lack of experience in construction project management was wrongly interpreted to mean a turnkey project where the turnkey contractor will provide all design, construction and installation services. Foreign firms in China frequently do not pay enough attention to what their Chinese partners asked for and what they can offer. Consequently, they entered into alliances which do not suit either of their interests in the long term.”
“In general, the larger the cultural gap between the two parties, the greater will be the strain on negotiations. The Americans in APC adopted the western style of expression which tended to be highly assertive. On the other hand, the Chinese have tended to be less firm in expressing their views. Consequently, if there is a substantial difference between their respective cultural frames of reference, it is common for negotiations to take a legalistic stance to compensate for ambiguities and misunderstandings. While technical legalities may seem to compensate for the ambiguity gap momentarily, these only serve to diminish trust. Consequently, negotiations begin to take on an increasingly adversarial style.”
Why did some nations rush to ban products made by Coca-Cola while other nations waited for more information about the crisis? One answer may be found in an examination of the cultural dynamics of these six nations. The purpose of this article was to explore cultural variability, especially uncertainty avoidance and power distance, and to examine how it affects public response to crisis. An analysis of the national cultures of each of these countries showed that publics who live in nations that are high in uncertainty avoidance and power distance tend to react more strongly, and more quickly, to perceived threats.
Globalization creates both opportunities and challenges for public relations practitioners. Opportunities include the potential for public relations practitioners to lead their organizations during times of transition. Because the public relations function creates, changes, and maintains relationships with publics, it can help an organization build new relationships in international environments. But challenges also exist. The ways in which organizations can effectively communicate with international publics are dependent on a variety of cultural and societal forces. These cultural and societal variations will affect the communication between international organizations and the publics in the host nations.
Uncertainty avoidance is most often understood to be: The extent to which individuals within a culture are made nervous by situations that are unstructured, unclear, or unpredictable and the extent to which these individuals attempt to avoid situations by adapting strict codes of behavior. Cultures that are strong uncertainty avoidance are active, aggressive, emotional, security-seeking, and intolerant.
Power distance is a construct that measures inequality across a culture. “Power distance is a measure of the interpersonal power or influence between B [boss] and S [subordinate] as perceived by the least powerful of the two.” The power distance index examines communication attitudes and roles as perceived by the subordinate in organizational relationships.... high power distance nations often encompass a latent conflict between individuals and organizations that have prestige and resources and those who feel powerless. Although this conflict is rarely vocalized and acted on, in high power distance cultures it influences the attributions that people make about the actions of others. For example, the powerless are not very forgiving when the powerful make mistakes.
Public Relations and Culture V

• ...these cultural dimensions affect how the organization acts during a crisis. Low uncertainty avoidance organizations may not view isolated incidents as constituting a crisis and thus may do little to communicate to publics about the situation.

• cultural variation also affects how the public responds to a crisis. Hofstede asserted that, “in their impact on society, power distance and uncertainty avoidance will interact.”...
Public Relations and Culture VI

• ...in high uncertainty avoidance nations people seek rules, rituals, and laws to guide behaviors. In high power distance nations, people respect those who hold positions of power. However, when the two dimensions of culture interact, those who have power are held to a strict standard of conduct. If these people, or the organizations that they lead, break the socially constructed norms, then the public (those with less power) will seek retribution and accountability.
Cross Cultural Ethics I

• One of the recent challenges of international management research has been to help managers understand business ethics across different cultures. Why are certain practices tolerated more by some cultures than others?

• People do make decisions that affect their individual behavior. In addition, individuals perceive problems and make judgments that affect collective behavior. Accordingly, understanding the impact of culture on ethical perceptions, judgments, and behaviors will be useful to culture-spanning managers who work with individuals in multicultural teams or deal with negotiators from different cultures.
Cross Cultural Ethics II

• Individualism and collectivism, more than other cultural dimensions, affect ethical decision making, which concerns the way people resolve conflicts in human interests and optimize mutual benefits.... People who emphasize group goals over individual goals resolve conflicts and optimize benefits in very different ways than people who emphasize individual goals. As a result, practices like software sharing or job security are treated differently by people in individualist and collectivist cultures.
Cross Cultural Ethics III

• Individualism and collectivism are especially relevant to questions related to how people work and thus to many questions of business ethics. Earley (1993) has shown that individualists perform tasks better when working alone than when working with others, but that collectivists perform better working with other members of their in-group than with members of out-groups or alone.... In an individualist culture, the person tends to perceive him or herself as an independent self who pursues his or her own interests and projects, while in collectivist cultures, the person tends to perceive the self in an interdependent relationship with others...in individualist cultures, people tend to place greater importance on achieving tasks than on maintaining harmonious relationships...In collectivist cultures, people are more likely to sacrifice task achievement for the sake of good relationships with others
Cross Cultural Ethics IV

• Proposition 1: Relative to their counterparts in more individualist cultures, decision makers in collectivist cultures are more likely to include within the moral domain business practices that adversely affect the welfare of the in-group.

• Proposition 2: Relative to their counterparts in more collectivist cultures, decision makers in individualist cultures are more likely to include within the moral domain business practices that adversely affect individual welfare.
Cross Cultural Ethics V

• Proposition 3: Relative to their counterparts in other cultures, decision makers in cultures characterized by vertical collectivism are more likely to include within the moral domain business practices by employees that harm the firm and owners.

• Proposition 4: Relative to their counterparts in other cultures, decision makers in cultures characterized by horizontal collectivism will be more likely to include within the moral domain business practices that harm relationships among employees.
Cross Cultural Ethics VI

• Proposition 5: Relative to their counterparts in more collectivist cultures, decision makers in individualist cultures are more likely to use justice-based postconventional moral reasoning.

• Proposition 7: Relative to their counterparts in more collectivist cultures, decision makers in individualist cultures are likely to exhibit greater consistency between their moral judgments and their behavior.
Gift Giving and Bribery I

- A social custom such as gift giving expresses deeper socially embraced behavioral ideals and norms of mutuality and “right relationships” between people. Practices of gift giving in China include visual behavioral patterns (organizational artifacts), which are enshrined in rites (li) of proper conduct. Such rites themselves are rooted in normative and prescriptive canons of righteousness (yi) and benevolence (ren), which express why such actions are culturally meaningful or logical. It is, nonetheless, difficult to discern when it is proper to give a gift, what its nature should be and to whom it should be given. Such discernment is ultimately a matter of social knowledge.
Gift Giving and Bribery II

While cultural logic represents the transcendental values and worldview that underlie a culture, such as harmony, justice and right relations, artifacts represent the empirically observed behavior of people as they interact with one another, such as exchanging gifts, taking a certain place at table, or greeting a visitor at the airport. Social knowledge mediates between these two levels in determining what is appropriate. For example, if a visitor is coming from abroad, who is the proper person to meet him or her at the airport and what type of gift would be correct.
Gift Giving and Bribery III

• In China, gift giving forms part of a larger picture: belonging to a network of personal relationships (guanxi). That these relationships be “right” is a matter of utmost moral and practical concern. Gift giving is one of the ways of nurturing such relationships and strengthening the trust, caring, reciprocity and commitment between the parties. In practical terms, the quality of such relationships emerges as a universal primary reference point in judging what one ought to do.
Gift Giving and Bribery IV

- Chinese culture exhibits a very nuanced social philosophy of relationships. These embody both the respect one person owes another in terms of face (myan dz) as well as obligations of mutual rights and duties (quanli yu yiwu), which bind people together. The predominant social structures of Chinese society are found in the web of significant relationships (guanxi), based upon family, geographic origin, school mates and so forth. A person’s guanxi outlines who matters and how much they matter and provides the primary basis of moral claims for one person upon another (Gargan, 1996).
Gift Giving and Bribery V

- For Chinese, gift giving is a natural dynamic of any relationship: it shows a relationship is valued and is a means of expressing respect and honor for the other person. Gifts express good will and gratitude and, in many ways, can be considered a dynamic form of “social contracting.” The difficult aspects of gift giving have more to do with assessing the proper proportionality between persons and the implied sense of obligation or reciprocity that is entailed in giving or receiving a particular gift. For example, in dealing with a Chinese delegation, the leader should receive a better gift than subordinates. One often must proceed by trial and error;