Section 1; Cultural Dimensions by Gregory Dinklenburg

* Managing cultural differences can help globally operating businesses come to an understanding with the significance in differences within international organizations.
* Understanding and applying Hofstede’s cultural dimensions may provide realistic insight and organizational structures for integration, expansion and global success across different cultures.

1. Sub-section A
   1. **Power distance** 
      1. Power or class structure; “defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders.” (Geert Hofstede™ cultural dimensions, n.d.) What is important is whether the country of choice‘s index is high or low. The higher the score the greater inequality among the population. There are clear distinctions between social classes and government, possibly an extreme distance between wealth and poverty. Where as a lower score constitutes a country where the classes are more equal, there isn’t a great deal of class separation.
      2. Working through the PDI score; for example, if the country’s PDI score is high, when setting-up business rules and when conducting business, the government more than likely preempts regional law. Contracts and legal documentation needs to reflect this. If the score is low, most agreements are done with a handshake.
2. Sub-section B
   1. Collectivism versus individualism
      1. **Collectivism; “**The word collectivism in this sense has no political meaning: it refers to the group, not to the state.” (Geert Hofstede™ cultural dimensions, n.d.) **Collectivism** represents a family oriented society, similar to Mexico. People are brought into **unified** extended families which look after one another.
      2. Individualism; represents a society that puts one’s self first. This doesn’t mean they aren’t caring or leave others behind as a society, but are expected to become educated and become more successful than their parents, thus running their lives in a productive and contributing manner to society.
3. Sub-section C
   1. **Uncertainty avoidance** 
      1. Long-term vs. short-term strategic initiatives; the UAI score can help determine this. For example; the lower the score the country will be more tolerant and accepting of ideas and views different from their own, easily moving towards compromise and win-win solutions and decisions, not to mention, the willingness to look into the future and see long-term benefits.
      2. Ability to Innovate; countries with high scores tend to be entrenched in tradition whereas countries with low scores are open to invention. This is imperative when looking for a country for expansion and potential R&D initiatives.

Section 2; Society by Les Winget

* Businesses interact with the wider society they are part of. Businesses are affected by society, for example in the kinds of goods and services they are expected to produce and businesses affect society by their activities. It is a two-way process.
  + Some of the ways in which businesses affect society are negative, and usually governments limit these activities by **law**. For example, some business activities damage the environment. In addition, there are ethical constraints set by the wider expectations of society. For example, it is legal to sack workers for some actions, but society may think the sacking is unreasonable, and the business may feel pressured to not do it.
  + Groupings of people, such as Trades Unions, can be very effective at putting such pressure on businesses. The environment is a good example. The legal restrictions on environmental damage are relatively few, but society at large has increasingly strong views (orchestrated by some very effective groupings such as Green Peace) about what activities by business are acceptable and unacceptable. This produces pressure for businesses to change their behavior, especially if sales and profits are threatened.
* Many consumer businesses now produce ‘green’ versions of their products to attract environmentally conscious customers; their corporate advertising boasts that they have stopped doing this, or started doing that, in order to better look after the environment. Another good example is the way that some businesses have changed their activities in some developing countries due to concerns by society over ‘sweat-shop’ labor.
* The population, religion and education of a society relates in large to the business activities of that particular country.

1. Sub-section A
   1. Population; population growth over time is a function of more people being born than dying each year, or to put it scientifically, it is a function of birth rate minus the death rate. Understanding what affects the death rate is pretty simple. Wars, famine pestilence, and disease all tend to increase the death rate, while abundant food, medicine, sanitation, and peace all tend to decrease it. But understanding what affects the birth rate is not quite as simple. To understand this, you have to understand why people have babies.
      1. Growth factors
         1. While the exact reason a person has a child will vary, it usually falls into one of several categories. Some have babies for societal reasons such as to carry on the family name. Anybody who has ever had their mother or father ask them when they are going to get married, settle down, and have kids knows this reason very well. The drive to carry on the family name is very strong and should never be underestimated. China’s “One Baby Policy” in which couples pay fines and lose health benefits if they have more than one child has resulted in a disparity in the number of males and females. Some families have resorted to abortion or giving their child up for adoption if they find out it is a female. This has led to a situation where there are almost 10% more males under the age of 30 than there are females. Even with the shorter life spans of males, this ratio might never reverse to its natural trend, and could be a tremendous societal problem for China in the future.
         2. Some people have children for religious reasons. For some faiths, it is a matter of not doing anything to prevent having children. For instance, the Roman Catholic faith believes that it is immoral to use artificial means to prevent conception. For others, there are actual dictates to have more children, as the more children there are, the more souls there will be available to go to a good place in the afterlife.
         3. There are other factors that play into people having children. A lack of education and economic opportunity for women has been correlated to increased birth rates. Women in these situations generally do not have information about birth control and see having more children as a way of providing for their later life. Getting married at an early age also leads to having more children. The average woman has about 30 years in which she can have children. If she starts having children at an early age, then she is much more likely to have a lot of children.
      2. Energy
         1. One other major factor has to do with the energy use per capita and whether a country is agrarian or industrial. In societies that do not have the use of modern farm equipment and are still agrarian, there is an economic incentive to have more kids. For instance, take the example of the John Eli Miller family. Miller was a farmer born in the mid 1800's who had 5 children, 61 grandchildren, and 338 great-grandchildren when he died. Some environmental textbooks use this example to show that the population can bloom quickly. However, the point needs to be made that this is an example from an agrarian society that had not industrialized. This is not the typical example from an industrialized society with modern machinery like you find in most of America, Europe, and Japan.
         2. Population growth stretches natural resources to their limits. Deforestation, food and water shortages, and climate change are all intensified by the addition of nearly 80 million people a year to the world's population. According to the United Nations, the global population could be as high as 11 billion in 2050 or as low as 8 billion, if the right programs are put in place now. Population Connection strives for the world to achieve the lower projection - for the sake of the environment itself and for the people who depend upon it.
2. Sub-section B
   1. Religion
      1. History
         1. The religion originally started with this idea of holding the people of a certain community together and binding them together.  Every religion that sprung up in this world had this point in view.  It is because of this that the moral principles of all the religions in the world are more or less the same. Sometimes the practices of a religion are disliked by certain sector of a religion and then a prophet comes forward with a new religion.  The Hindu religion for example once got so much entangled in religious practices like sacrifices, in which animals were killed, that as a reaction against that, the idea of Ahimsa came into being and this resulted in the birth of Buddhism and Jainism.  If we see the ethics of these religions, it is not substantially different from the Hindu religion. Similar is the case with the Christian, Zorastrian and Muslim religions.
         2. Most states in the world have got their state religion.  The king is the defender of that faith.  When the state backed the religion it was natural that some fanatics started creating atrocities under the name of religion.  Even though all religions were meant for the well-being of the mankind in this world as well as in the next, still people resorted to oppression for the spread of their religion.  The Muslims have made a history in this behalf.  They take   pride in stating that they went all over the world with the Quran in one   hand and the sword in the other.  The Christian missionaries also went all   over the world for the spread of their religion.   In most places they have been found to have taken undue advantage of the poverty of the people and have converted them to Christianity by holding some temptations.
         3. Thus the main purpose of religion was sidetracked in many cases and the followers of the religion, which preached sympathy and kindness to others, created atrocities in the name of that religion itself.  The principle of forbearance which, was preached by Christ throughout his life was flouted most by the followers of his religion.  Thus though the ethics or the basic principles of the religion might be very good, they often remain locked up in religious books and the followers of that religion are turned into cruel fanatics by the priests, taking advantage of the reverence shown to them as the religious heads.
      2. Business
         1. Therefore, for those individuals who work in international business, it is paramount to clearly understand and accept the deeply ingrained ideas, beliefs, and attitudes of each country and culture. For these are not based just on culture alone, but also on religion. And, religion is a belief system that cannot be challenged or changed with any form of logic, education, or training.
         2. If conflicts and disagreements are analyzed from the perspective of a combination of their cultural and religious foundations, the disagreements frequently become more understandable. It also becomes clear that resolution will be extremely difficult, whether on a world scale, or a business-negotiating table.
3. Sub-section C
   1. Education
      1. Youth Population
         1. In 2006, the population of 5- to 29-year-olds (roughly the population most likely to be enrolled in education) represented 34 percent of the total population in the United States. In the other G-8 countries, the corresponding percentages ranged from 26 percent in Italy to 34 percent in the Russian Federation. In the past 10 years, the United States had the highest growth among the G-8 countries in the population of 5- to 29-year-olds, which increased by 7 percent between 1996 and 2006 (indicator 1). With the emergence and growth of the global economy, many have turned to international comparisons to assess how well national systems of education are performing. These comparisons shed light on a host of issues, from access to education to equity of the resources devoted to educational achievement. They provide the opportunity to compare different aspects of countries’ education systems, assess these systems’ performance, and identify potential strategies to improve student achievement and system outputs.
      2. International comparisons
         1. Differences in the structure of countries’ education systems often make international comparisons difficult. To improve the comparability of education indicators, the United Nations Educational, Scientific and Cultural Organization (UNESCO) created an internationally comparable method for describing levels of education across countries called the International Standard Classification of Education (ISCED). Using the ISCED classifications as a starting point, NCES worked with education professionals in the G-8 countries to create an overview of each country’s education system.

Section 3; Business by Dodi Ryder

* Experienced professionals are more aware of potential risks and/or ethical issues and should be utilized to insure a safe and accurate transaction (Price Water House Coopers, 2009).
* Conducting business globally is drastically different than conducting business within one’s own country.
* Due diligence is necessary prior to any form of communication with the foreign nation; the research that is done prior to contact with the host country allows the company to better develop a strong relationship which increases the chances for success.
* To reduce risks, a professional should be utilized to gather the correct data and should also speak the local language of the host country.
* Business etiquette, business negotiations, customs, and communications styles of the host country must be identified prior to any form of contact.
* Experienced professionals are more aware of potential risks and/or ethical issues and should be utilized to insure a safe and accurate transaction (PriceWaterHouseCoopers, 2009). They also hold the knowledge needed to insure that the business etiquette, negotiations, customs and communications are completed fulfilled when contact is finally made with the host country.

1. Sub-section A
   1. **Etiquette and manners have become critical elements required for Global Business executives, managers, and employees.**
      1. **Personal Space**
         1. **The amount of personal space will vary from culture to culture from an individual (Spoelstra, 2009).**
            1. **People stand much closer than others in some cultures.**
            2. **People of the same gender stand further apart in some areas of the world.**
            3. **Some males of a particular country will stand so far apart that it may seem very strange to other cultures.**
      2. **Touch**
         1. **Some cultures touch very seldom while others may touch multiple times within hour (Spoelstra, 2009).**
         2. **It is very important to note this cultural difference prior to making any type of contact with the other person. Touching or physical contact is a very delicate issue.**
         3. **It is best for a negotiator to restrict any form of touching during negotiations.**
      3. Time
         1. **Time is the possibly the biggest reason that cultures collide.**
         2. **Some cultures value the precision of time while others do not consider time to be such an important element (Spoelstra, 2009).**
         3. **Americans, for example, have the tendency to regard time as highly important and do not tolerate excuses for tardiness or other reasons. Other cultures will understand if someone is late or absent because of a situation with a family member or friend (Spoelstra, 2009).**
         4. **The concept and value of time that the host country holds has to be understood prior to any contact.**
2. Sub-section B
   1. Communication; **“Communication is the vehicle by which meanings are conveyed, identify is composed and reinforced, and feelings are expressed” (LeBaron, 2003).**
   2. **As communication occurs cross-culturally, conflict and harmony are both possible outcomes of any interaction.**
      1. **High-context and Low-context Communication**
         1. **According to Edward T. Hall, communication can be classified into two main categories: high-context and low context (LeBaron, 2003).**
         2. **Communication varies depending on its field dependence**
            1. **Field dependence refers to things outside the communication that affect the meaning of what is being communicated (LeBaron, 2003).**
         3. **A high-context message may be verbally stated without any signs of disagreement or anger, but the expression of the person sending the message might give the statement an entirely different meaning.**
         4. **A low-context message is just the opposite. It will direct more attention to the literal meanings of the words spoken rather than the context to the surrounding words or expressions.**
            1. **It is very important to understand and utilize the communication settings that a culture uses on a day to day basis. By understanding what type of communications are used and favored during business meetings in a particular culture, companies have a better opportunity to succeed.**
      2. **Individualism and Communitarianism** 
         1. **Individualistic settings involve ideas of independence, autonomy, self-direction, and self-motivated (LeBaron, 2003).**
         2. **Communitarianistic settings involve allegiance with a group, interdependence, and cooperation (LeBaron, 2003).**
         3. **During communications regarding business meetings and/or negotiations, it is important to understand which type of communication (conflict resolution) the culture prefers to use (LeBaron, 2003). Again, it is necessary to be able to determine how to handle these situations if they should arise in order to succeed.**
3. Sub-section C
   1. **Negotiations; negotiations with foreign markets should be dealt with very carefully. The most important thing to remember is that most other nations have a preconceived perception about American negotiators (Botha, 2000). Every company should know this fact and should adjust its negotiating style according to the concept perceived by that particular nation (Botha, 2000).**
      1. **Perceptions**
         1. **Most countries think that Americans are hard workers; however, some countries think that Americans are rude and self-centered.**
         2. **Perceptions can be very bad for business and it can affect negotiations in a very negative way.**
         3. **It is very important for companies to understand what perception the culture may have in regards to the nation attempting the negotiations.**
         4. **If not handled properly, the country attempting to do business with the foreign country will fail.**
      2. **Pace of Negotiations**
         1. **The pace of negotiations is also very important to consider when attempting busy in a foreign market.**
         2. **Americans tend to negotiate at a much faster pace than other cultures which leads to shorter negotiation periods (Botha, 2000).**
         3. **Other cultures like to take things slow and develop a relationship with the negotiator (not the company).**
         4. **If an American tried to negotiate a deal with Brazil, for instance, the American negotiator would have to take things very slowly; sometimes it will take twice the time of an American negotiation (Botha, 2000).**
      3. **Assertiveness** 
         1. **Some cultures are very assertive and direct during negotiations, such as Americans.**
         2. **Other cultures do not appreciate assertiveness at all and find assertive people pushy; resentment tends to develop in these types of situations which lead to a failed negotiation (Botha, 2000).**
         3. **Some cultures negotiate very indirectly and the listener has to read between the lines (Botha, 2000).**
         4. **Knowing how to communicate the message during negotiations is vital to the success of the company’s goals.**

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