What International Corporations Say About Intercultural Communication: A Survey of Business Publications, 1986-1992

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Abstract

The author surveyed business-oriented publications for articles about intercultural communication, 1986-1992. More than 50 were discovered. "Culture learning" received the most attention among the background variables and "negotiation" was the leading on-site theme. Considerable attention was given to training programs for "expatriate" managers and families. Language difference was seen as a minor problem because of the prevalence of international business English. Dealings among Europeans and with Americans was reportedly an unexpected problem, although cultural differences were small compared with Asia. In general, the discussions follow themes recognizable by academics, but with a heavier emphasis on culture learning as a background and more attention to real-time, face-to-face negotiation.

Introduction

During its relatively short history, the systematic study of intercultural communication has been largely concentrated in American colleges and universities and in governmental agencies, including the Department of State and the Defense Department. Public and private international

development organizations have also contributed surveys, anecdotal information and training materials to the body of writing about cross cultural contact.

With the expansion of global markets and overseas manufacturing, international business has become centrally involved in intercultural communication.   This study   was undertaken to learn what such corporations may be reporting about their experiences.

Method of Investigation

The author surveyed business-oriented serials and periodicals during the period 1982-1992 for articles about the recent experiences of international business in establishing and maintaining overseas manufacturing, marketing and sales operations.   Literally hundreds of articles on international business were found in indexes and computer data bases.   An examination of titles and a sampling of content revealed that most of them were about economics, demography, technology, market surveys and other business matters not directly communication.   In the next phase of inquiry, a list of a dozen key terms was generated around "international," "multinational," "overseas," " cultural," " cross-cultural," " intercultural," "foreign," " executive selection," and " training."   Application of this focus produced a bibliography of 55 items in 40 different publications.   The 10-year period originally contemplated was narrowed to 1986 through mid-1992, since no applicable articles were found in 1982 or 1984, only one in 1983 and two in 1985.

Publications included a variety of weekly, bi-weekly, monthly and quarterly titles.   Some were focused on particular activities, such as *Accountancy, Advertising Age* ,   and *Marketing Management* ; others were general, such as *Wall Street Journal* , *Forbes* , *Business America* and *Business Horizons*.   Some were of non-U.S. origin.   These contained pertinent comments on managing foreign employees in North American operations and elsewhere.   Non-U.S. titles included *Accounting* and *Independent* (Britain), *Canadian Business* , *Tokyo Business Today* , *Business Japan* , and *Management Japan*.

After the articles were assembled they were analyzed for themes and organized under two major headings.   The structure was as follows: BACKGROUND VARIABLES: culture learning, personnel selection;

training and preparation, language learning.   ON-SITE VARIABLES: negotiations, social behavior and etiquette, cross-cultural management.

One matter of interest was country and regional focus. Almost a quarter of the articles described doing business with the Japanese. China was second with seven articles. "Western Europe" was the focus of three writings. Eleven other countries were used at least once as illustrations. There were eleven cultural-general articles with no particular geographic focus. Apparently Eastern Europe and the former USSR have emerged so recently as potential areas of economic opportunity that they have not yet generated articles on cross-cultural business experiences.

Overview of Present Practices

An excellent survey of U.S. corporation practices regarding preparation of employees for service abroad is provided by Runzheimer International and reported in the *Wall Street Journal* (Lublin, 1992, pp. B1 and B6). The survey states that of responding companies (the number was not mentioned) with overseas operations, 57% employ no formal preparation. Of the 43% which have some type of program, 13% limit training to those employees already selected for a specific location, 30% provide a formal program to all employees who might be selected for assignments in the future and some include executives who supervise foreign operations. Response to training is sometimes one of the factors considered in selection for overseas assignment. An unspecified number of programs is conducted in-house; other companies hire consulting firms to conduct the training.

The reported number of nearly 50% with some kind of preparation compares with an estimated 10% a decade ago, Lublin states.

Upper-level managers (referred to as "expatriates") are evidently expected to relocate with their families and the family takes part in the general training, followed by specialized courses for executives, spouses and children.

Runzheimer lists the curricular themes of the training, as shown in Table 1 on the next page.

The *Journal* account of the survey does not mention any patterning of these categories or their relative emphasis. The motivation for cross-cultural programs appears to be economic. The cost of "failed assignments" where expatriate U.S. executives and/or their families are unable to adjust

has been estimated at more than two billion dollars annually. Richard B. Jackson, a Reynolds Metal vice-president for overseas operation, states that since the inclusion of training in the late 1970's the loss related to failed Reynolds expatriates has been reduced to "almost zero".

TABLE 1

Categories of Training Reported

Culture, history of country	79%
*Pre-visit orientation	60%
Meetings with returned expatriates	57%
Foreign Language	53%
Career counseling	7%
Other	15%

*Pre-visit orientation is a short on-site visit prior to relocation.

General Motors also sees economic benefits from cross-cultural training. Richard Rachner, general director of international personnel, states that GM's premature-return rates for expatriates is now less that 1% which he compares with an estimated 25% rate for companies that do not employ such training (August 4, 1992, p. B7).

Background Variables

The next section of this paper deals with the role of background variables in pre-departure preparation.

<u>Cultural</u> <u>Learning</u>

"Culture learning" is defined by this author as involving cognitive and attitudinal matters which contribute to enlightened stereotypes of the new place and people prior to real-time experience. Miller perceives culture learning as much deeper than social customs and etiquette.   "Real

understanding means going beyond seeing the differences to develop a map of underlying social concerns" (July 1986, p. 56). This culture learning is evidently considered basic, ranking highest in frequency in the Runzheimer survey and also generating the most articles (15) in the review of literature.

Two surveys outline the need for culture learning as the base point for developing cross-cultural competence. Wendt (1989, p. 42) found that top executives see one of five imperatives for doing business in Japan as "cultural awareness – sensitivity to Japanese culture and its stratified, hierarchical society."   A second survey concludes that what it needed first is an understanding by American business people of their own cultural imperatives, since they display little insight into the cultural values underlying their decision-making practices. Only when this is in place can they learn and contrast those with other nations. (Tse, *et al.,* 1988, p. 84)

So what are some of the background variables specifically cited as important? McCooey (a British writer) urges an understanding of how group memberships dominate Japanese life, including business practices. He describes how Western companies accustomed to functioning on their own complain bitterly about not being able to penetrate "cartels" of industrial and marketing groups, banks and government agencies working together to keep out foreign suppliers. (1990, pp. 65-7)

McCooey complains that "old-boy" networks of Todai University alumni also cooperate effectively in the same cause. He sees little way for foreign companies to penetrate these tightly-integrated systems other than by attempting to join in costly joint ventures. The beginning-point in understanding all this, he believes, is a basic knowledge of a Confucian-oriented, group-based society which stresses harmony and continuity confronting a Christian-based culture with emphasis on open competition and individual achievement. (1990, p. 65) Dillon also focused on this dimension in her study of 30 returned Japanese and American expatriates who were asked about the role of pre-departure culture learning in their experience. The Americans unanimously praised such preparation in helping them to face what they perceived as dramatic differences in the two cultures; the Japanese were reluctant to emphasize cultural difference and did not indicate that the difference had led to problems (1990, pp. 72-8). In another study, Dillon found that experienced expatriates believed predeparture preparation should include an emphasis on values in the work place, including loyalty, cooperation and formality in work relationships.

Best surveyed a number of American companies, including Proctor and Gamble, Braun, Estee Lauder, Goodyear and Eastman Kodak. There was general agreement that differences between American and Japanese values and customs represented more of a barrier to their activity than governmental trade restrictions (Best, 1990, pp. 29-32).

Establishing and maintaining harmonious relationships with business associates is equally important in China, according to Siggins. Attempting to talk business before social preparation that includes banqueting, toasting, and discussion of families can result either in endless delays with no results or a quick agreement which is never acted upon. Western business persons must learn to speak of their Chinese government counterparts as "friends" rather than "customers" (1986, p. 24).

Still another cited aspect of culture learning is the avoidance of excess costs and fraud in international transactions. In addition to the usual background checks of bank holdings, asset values and the like, the author cites several cases in which an understanding of culture background might have avoided swindles and cut costs. He states that American business persons are generally unfamiliar and uncomfortable with practices regarding gratuities, kick-backs and bidding procedures. At least one person in the home organization should be well versed in how to work with these practices.

Western business seems to perceive Asia as authentically foreign territory, but the presence of only three "Western European" articles, one on culture learning, suggests that Europe is seen as culturally "easier". In an essay on understanding Europeans, Miller warns that surface similarities can be deceptive. He begins with what he calls "key influences" in the history of Europe. These are: a tradition of systematic and organized violence; a tradition of strict social stratification and general conditions of poverty. The American cultural influences mentioned are: high physical mobility; loose social order; limited experience with continental war; individual, random violence; economic opportunity; puritan morality; the physical challenge of the frontier.

Miller sees the European key influences appearing now in a variety of subtle ways. Among the elements he lists are defensiveness, privacy, pessimism, materialism, taste for glory, unselfconsciousness, love of theory and speculation, strong social order. Miller says that Americans often experience a sense of social unease as they encounter a European manager

who serves them coffee and pastries and leads the discussion to classical music, politics and broad intellectual issues. The American may be ill-prepared for such a conversation and early efforts to turn the subject to business are rebuffed. Both parties feel uncomfortable. This is a subtle culture conflict which might have been reduced through cultural learning well in advance of the meeting.   The tone of all these articles is that culture learning is basic to successful expatriate experience and provides a background for functioning in the on-site environment.

Personnel Selection

Several articles suggest that expatriate duty is not for everyone, but that employees may face a barrier to career advancement in highly-internationalized companies if they decline expatriate assignment or fail overseas tours. This is seen by several authors as a human-relations issue and career counseling is sometimes a part of the selection process.

One article proposes a human relations approach to selection. First, the corporation should develop a comprehensive plan for international activities and share it with potential expatriate employees so that they can have a sense of where they fit in to the company's future. Second, there should be an identification of employees who possess the needed technical skills and also have the "traits, attitudes and attributes" required for international effectiveness. Third, the candidate and family should be given enough information about the assignment and environment so they can make an informed preliminary decision. Fourth, the corporation should keep the candidate fully informed at all stages of the process. If indications are positive, the company should provide the candidate and family with training and orientation to equip them with the needed information, skills and attitudes for successful coping in the new venue. The final steps are to provide support services to ease the stresses of relocation and to begin planning for reentry support before the tour is over. (Foxman and Polsky, pp. 38-41) This is a comprehensive plan and no companies are reported as including all the elements, though two or more are virtually always present in existing programs.

Perhaps the most burdensome task in personal selection falls on small companies entering the international scene. With a limited number of managers from which to choose, they must decide whether to transfer

someone who is familiar with the operation but not well-prepared for foreign assignment or to recruit a foreign-national manager, who is well-versed in local conditions but with little knowledge of the company.   If the decision is made to hire abroad, companies encounter resistance from experienced managers there who are reluctant to commit to a small, unknown firm with an uncertain future.   This is especially true in Japan, where large, secure, conglomerates are the norm.

A result is that selections are often made from technically-competent but not necessarily well-motivated home-office managers.   Small companies are also less likely to provide intercultural training and adjustment support. According to Noel Kniecken, president of a consulting firm, about one-quarter of expatriate managers from small companies return prematurely because of "personal problems" involving themselves and their families (Selz, 1992, p. 2).   The implication, at least, is that investment in cross-cultural training might save some small-company expatriates.

One of the articles proposes that international management may be a new frontier for female employees.   Kirk suggests that as growing numbers of women take management positions in multinational corporations, more can be expected to seek expatriate placement.   He says that women face a double prejudice.   One bias is that even financially strong, well-established multinationals are reluctant to give females high management positions abroad because such assignments are associated with career-path development which is more likely to benefit men than women.   In addition, some host countries let it be known that they do not want to see women managers because they doubt the legitimacy of a woman's authority to make final decisions.   Furthermore, a single woman may be perceived as "too vulnerable" to be sent abroad and a married woman may be viewed as encountering domestic problems with an extended sojourn.   Despite these biases, women are proving successful in international assignments. Demonstrating competence seems to be the best way for women to overcome prejudice, both in the home office and in overseas assignments (Kirk, 1988, pp. 47-9).

The literature on selection is small, but the topic appears important enough to be a key variable in the total process.

Training and Preparation

With the growth of international business, corporations have increasingly utilized the training approach for a brief, intense preparation of expatriates. As previously noted, some large multinationals conduct their training in-house; others contract with consulting firms.   Still other companies, including Proctor & Gamble, do their training after expatriate arrival at the new venue.   In that way they can integrate classroom instruction with field experience before work begins.   The Proctor & Gamble programs combine culture learning with social customs, etiquette and survival skills.

One approach to structuring training, according to Lobel (1990, pp. 41-7), is to train for competencies gleaned from research on expatriate success. These competencies include flexibility, curiosity and openness, and non-judgmental attitudes toward cultural differences.   All of these are perceived as culture-general and are repeated in each program, along with the appropriate culture-specific skills.   (1990, pp. 39-42)

Another structural approach is to employ a country-focused group of "cultural concepts" followed by a skills-development unit which utilizes discussion of case studies (deWilde, 1991, pp. 41-3).

Still another strategy calls for general intercultural training before departure, a specific course in "instrumental skills" immediately on arrival, a continuing program in intercultural communication during the period of duty and a re-entry program about adjustment to the return prior to repatriation (Grove,   1990, pp. 111-9).

A previously-cited survey of training programs stresses the role of expatriate families in executive success or failure abroad.   Managers continue their careers, but spouses must cope with unfamiliar conditions of home management, including how to deal with servants (Lublin, 1992, p. B1).

More focused training appears to be the norm in Britain, according to an *Independent* article (Thomas, 1992, pp. 23).   The work pattern is shorter-term visits with less expatriate assignment, so training often focuses on "business etiquette, hierarchical structure, and business heritage" in an effort to smooth the course of negotiations.   Much British commerce is with the European Community and there has been a tendency to assume that proximity means similarity of business practice.   While cultural differences are not so pronounced as with the Japanese, minor breaches of etiquette may stall negotiations.   Some cited examples are that German business people expect formality, that the French are uneasy with the use of humor at

business meetings, that a meeting in Spain is for final agreement rather than deliberation, and that the Dutch prefer oral communication to letters or memos.

In the environment of the EC, where there is little difference in products and pricing, the establishment of trusting relationships is a crucial factor in continuing business dealings, the article concludes.

In summary of the discussion on training, there is no dissent from the position that cross-cultural training is vitally needed and is effective in reducing losses from failed expatriate assignment.   The only caveat encountered was that there is a range of quality in training programs offered by consulting firms and that companies should shop carefully before choosing one (Lublin, 1992, p. B1).

Language Learning

Proficiency in a host language is seldom mentioned in the surveyed literature. It is not cited as important under either personnel selection or training and preparation. One British publication does suggest that along with technical competence the expatriate manager "should be proficient in the host country language."   (Ziera and Banai, 1987, p. 40). Several articles speak of American incompetence with any foreign language and the unlikely prospect that a top manager would be adept in the language needed for a proposed overseas operation.

This is perhaps a realistic view.   While English is studied as a required subject in most countries where international business operations are likely to occur, few U.S. college students study any foreign language as part of their business or engineering curriculum, and if they do, can hardly anticipate whether their chosen language will prove appropriate for later career needs.

Richard Hobbs, training director of a British program, acknowledges that time and resources will always limit what can be done to prepare overseas managers and contract negotiations. If a choice must be made between language and cultural training, he would choose the latter "because you can use all the right words and have completely the wrong impression. Language can only be understood in the context of culture" (1992, p. 23).

The use of local translators when necessary is mentioned twice, once with the warning that many such people are sub-elites who themselves have

little knowledge of business practices in their countries and may be inclined to tell Americans what they want to hear (Barnum and Woliansky, 1989, pp. 50-2).

The limited discussion about language focuses on the theme of English as the language of global business, whether or not either of the participants is a first-language English speaker.   But two articles point out strongly that International Business English is not the English spoken at corporate offices in Dallas, Chicago and New York. A survey of 200 U.S. executives with international business experience reported that use of idiomatic American language was one of several causes for loss of business.   Regional expressions and sports idioms were cited as frequent offenders. "You all come back for another visit" was taken as word that a trade delegation had too few people.   "The whole nine yards", "dog and pony show", "scratch the order" and "we need it yesterday" were reported as baffling without cultural context.   The report also cautioned against attempted humor and especially the use of sexual metaphors (*Nation's Business,* 1985, p. 66).   Common American obscenities involving illegitimacy and maternal sexual misbehavior uttered in the hearing of host nationals have also led to difficulties in conservative cultures (Barnum and Woliansky, 1989, p. 52).

In general, the discussion of language leads to the conclusion that most American international business representatives do not and are not expected to speak the host language, that they can utilize translators with caution, and that the distinctions between international English and idiomatic American should be a part of training and preparation.

On-Site Variables

This section deals with articles which focus on what happens as sojourners and expatriates function in the social and work environments of host cultures.   Some of the material is about general social contact and some focuses on business negotiations.

Social Behavior and Etiquette

Academics will recognize the following discussion as being about what they call "Verbal and Non-Verbal Communication."   A frequently-used term in business is "etiquette" and several companies identify their intercultural specialists as "etiquette officers" (Finney, 1990, p. 44).   From this perspective

intercultural communication is seen as doing the right thing and avoiding giving offense.

One article urges that etiquette training with simulated situations be included in pre-departure programs because inappropriate social behavior may have a significant outcome on more "important" business details (Domsh and Lichtenberger, 1991, pp. 43-6).

A brief column "Let your Hands Do The Talking" focuses on the handshake and its meaning.   A court case is mentioned in which one party had assumed that a handshake was a parting ritual and the other that it had sealed a binding agreement.   The author urges that the sojourner try to inform himself/herself of host non-verbal customs and should also attempt to verify whether a particular behavior had meaning related to the content of the verbal message (Brown, 1989, p. 51).

Three of the articles are culture-specific listings of what to do and avoid in particular situations.   Common themes deal with greeting rituals, gift-giving, entertaining, meal behavior, dress, the role of spouses, protocol, promptness and formality.   One focuses on Japan.   The author, Louis C. Payne, Director of the Pacific Intercultural Institute, emphasizes that the first task of the overseas business person is to establish trust and confidence and that this can be undertaken by practicing several suggestions.   These include beginning with a handshake but avoiding mimic bowing, practicing and pronouncing names correctly, offering a business card without delay. While Americans usually entertain at home for business purposes, Japanese keep their business and family life separated, so a home invitation is unusual. Related to this, a man should not expect to bring his wife to a restaurant dinner with business associates.   The author stresses the importance of giving and receiving gifts as part of social ritual.   (A related article points out that gifts are not opened at the time because this suggests acquisitiveness.)   Payne closes his list with two personal suggestions--that tissues and not handkerchief should be used for nose-blowing and that only socks in good condition should be worn because the shoes will frequently be removed (Payne, 1990, p. 11).

Another article contains practical etiquette for Germans working with American companies and gives some insight into both cultures.   Included in the advice is to use a deodorant; except to be treated like an American; avoid speaking in German to other Germans when Americans are present; consider that even when speaking English you may sound rude and abrupt, because

American speech sounds softer and gentler; avoid discussions of race, sex, religion and politics; be aware that there are many cultures and ways of behaving in America and try to avoid passing judgment on any of them; if female, remember that American women shave their legs and underarms and if this practice is distasteful to you, be prepared to dress so as not to give offense.   In general, try to do things the American way because your efforts will be appreciated (Harpers, 1990, p. 31).

Still another article, "Etiquette Lessons in Three Countries," presents cases from Japan, Saudi Arabia and Brazil. In the first case, a business women prepared an elegant breakfast buffet for a high-level delegation of Japanese clients. The Japanese did not take the food and she was deeply disappointed. Later analysis suggested that the elite visitors were not accustomed to serving themselves and were waiting to be served. Another explanation was that she had not asked them frequently enough, because their etiquette required that they refuse several times. In the Saudi Arabian case, a visiting American, reciprocating a deep-sea fishing trip, verbally invited his counterparts the next evening to a restaurant and was dismayed when the senior Saudi insisted on picking up the check. The American did not become aggressive about it because he was uncertain about local customs. He was frustrated, however, because his culture-driven need to "pay back" a social obligation promptly had been thwarted. Analysis suggested two things. While the Saudis did appear for the meal, they were under no obligation to do so because of the impulsive, verbal, and possibly insincere form of the invitation. An explanation regarding the bill was that the senior Saudi was observably older than the American and in that environment would have been expected to pay, regardless of who had issued the invitation. The American could have avoided the outcome by making advance arrangements with the restaurant manager (Barnum and Woliansky, 1989, p. 61).

The article containing the most extended advice about verbal and non-verbal behavior was "Getting Through Customs." It provided specific advice about verbal and non-verbal matters in eleven locales. Some generalizations can be made across these examples

1.   Americans are the most personally informal in business and personal behavior. This informality can be a liability in most international business dealings.   They must learn to wear dark, traditional business

attire, with conservative neckties for men. They must refrain from the use of humor and from friendly touching and avoid American idioms and profanity. Introductions, presentation of written references and formal business cards are important ways to establish identity. Australia is the exception. Australians are almost as informal as Americans, but they prefer not to discuss business in recreational settings.

2. Americans tend to see the entire waking day, including meals, as appropriate for conducting business. Almost all other cultures have defined times for discussing business. "Working" meals are appropriate in some places, but eating together is mostly for establishing trust and evaluating personality. Breakfast meetings are seldom acceptable, because the large breakfast is mostly an American custom. Hong Kong is the exception. Hong Kong businessmen prefer brisk discussions, with no "wasted" time, day or night.

3. Promptness is generally observed and expected. Apologies for tardiness should be made, but not belabored. In countries where promptness is to a high value, Americans should not take tardiness as an affront. They should be aware of local custom in advance, but a safe practice is to be prompt wherever they are.

4. In many places home and business are separate and Americans should not gauge progress by whether they receive a home invitation. They should be prepared to share information about families and edit out references to divorce, nursing homes for the elderly and other domestic details which might be disturbing in traditional societies.

This concludes the discussion of reported verbal and non-verbal elements. Since the purpose of cross-cultural business contact is to negotiate agreements, the next selection is about negotiation and decision-making.

Negotiation and Decision-Making

Many background and real-time variables come to focus at the negotiating tables. One article concerns Western negotiations within the European Community, one with the Japanese, and one with the Swiss.

Samfrits le Poole (1989, pp. 58-60) begins his discussion with the observation that Americans are culturally disadvantaged in dealing with their EC counterparts. The history, geography and economics of Europe have required most EC executives to be traveled, multilingual and multi-cultural, particularly those in the smaller countries. Their daily business practices require contact with foreigners, use of other languages and conversion of currencies. Few Americans have any of these experiences. Le Poole suggest that Americans' realization of their inadequacies, conscious or otherwise, forces some into a stance of "arrogant ignorance" as a way of coping with their more sophisticated counterparts. He says that this perspective negatively affects their negotiating performance in four areas:

1.   Equating Time with Money–Accustomed to dealing with others who share this value, Americans convey a rush and impatience to close the deal, and are not prepared to use time as a strategy in negotiating. Eagerness to conclude is also an implication that they have not spent time in background and fact-finding. The result can be acceptance of an agreement less profitable to them than it might be.

2.   Unwillingness to Engage in "Small Talk"–the efficiency-oriented American has not been prepared to engage in seemingly idle conversation as a way of sizing up counterparts, checking facts, investigating rumors, and seeking new information. EC people do utilize small talk this way and are at a distinct advantage as a result.

3.   Limited Use of Concession Strategy–Americans are accustomed to making concessions and do build in some fall-back positions. In the interest of getting to closure, they often make all the planned concessions early in the talks, leaving no cards to play. This may be a violation of counterpart expectations.   "The longer and more intensely the other party has to fight for concessions, the more they are appreciated and the more the host will be inclined to reciprocate."

4.   Lack of Awareness of EC Business Culture–le Poole urges that Americans should not attempt to imitate European negotiation   style. But he does believe that an understanding of European business culture and its style is essential to success. How the American will deal with differences in style is an individual matter, but he/she must understand what the other parties are   doing, and   why.   The article describes how Europeans emphasize cooperation and common ground to achieve a mutually-rewarding   "win-win" outcome of negotiations.   Europeans attempt to avoid   litigation in contract disputes and favor short, written agreements in principle to lengthy, detailed contracts.   They prefer not to have attorneys at negotiations (Herchak, 1983, pp. 15-6).

In Japan, American negotiators should first understand that the contract being discussed is a set of guidelines defining a continuing relationship which began with first discussion and will continue to the end of the operation.   The contract is not expected to be the final authority on all matters.   Several suggestions are made for negotiating such a contract.   The beginning point is a pre-negotiation social occasion--a lunch or dinner-at which the Western hosts learn all they can about the interests and status of each local participant.   Afterward, they will compare impressions and make notes.

Next, Americans must avoid setting a time-table or deadlines for the negotiations.   "The Japanese are aware of this weakness and will pay upon it.   They will wait, knowing that Americans will end up compromising their position as the deadline nears."   Histrionics, exaggerated demand and threats to walk away also have no place in contract negotiations because they are genuinely insulting and will probably end the relationship.   The negotiations must further avoid negative legalisms like defaults, warranties and other anticipations of failure because the agreement must be entered into with every expectation of success (James, 1989, p. 93).

The article on American-Swiss negotiation is a case study of Kiel, a Swiss conglomerate which came to America to buy a small Georgia company, Edwards Engineering.   The talks were between the respective presidents, Herbert Kiel and Joseph Edwards.   Kiel hired a lawyer from a small local office; Herbert was represented by   a large regional law firm.   Meanwhile, Kiel had hired an upscale accounting firm to conduct an intensive audit,

though Edwards insisted that everything was exactly as represented in his statement.

At the beginning it appeared that a speedy agreement was being reached, but things got steadily worse.   After three more days, negotiations ended in disarray.   Analysts found a classic cultural conflict.   Neither side had made any attempt to learn how the other negotiated and each side operated as though they were at home.   Edwards was aggressively open and forthright about his company and resented the high-powered audit as a reflection on his honesty.   The Swiss could not understand Edwards' hiring an expensive law firm unless he were trying to conceal something.   They vacillated between being suspicious and assuming he was remarkably naive.   This produced frequent interruptions and whispered conferences which annoyed Edwards.   Other issues which previously had been waived were brought up as the positions stiffened.   As the analysts put it, "By the standards of its own culture, neither side was doing anything out of the ordinary.   All that the other side could see was behavior that was unfamiliar and thus suspicious.   The critical task in any international deal is to prevent cultural differences from masking or sabotaging the goal shared by both sides – business and economic success." (Bryan and Buck, 1989, pp. 61-3)

Reference to an *Economist* essay (1987, p. 16) concludes this section, urging that by far the most vital single quality which the Western negotiator must cultivate is patience.

Multicultural Management

While most of the articles in this survey take the perspective of North American sojourners and expatriates, several others discuss the problems of overseas operations from European and Japanese viewpoints.   The first appeared in a British publication.

As Europeans continue to acquire companies in the U.S., they must learn how to deal with American managers.   The Europeans are faced with two major differences in business cultures.   One is the spirit of optimism and cheerful confidence with which U.S. management approaches its occupation.   The EC executive often interprets this as evidence that the operation is doing well overall, when in fact it may be declining.   Europeans cannot identify with American zeal for analysis and problem solving as an end in itself.   "Probably every major European multi-national has had U.S.

experiences in which this essence of 'can do' has misled, often to the point where to Europeans it seems to verge on the fraudulent." (Thorne and Meyer, 1987, p. 112).

The second area of potential misunderstanding lies in World View. Most U.S. managers are brought up, according to the article, to believe that the rest of the world is very much like America and thus does not require much adaptation. As part of an immigrant population, they perceive foreigners as "Americans who live somewhere else," but have some annoyingly different habits, such as language. To a European, the American manager therefore may seem both naive and arrogant, whereas he is simply underexposed, as well as being supremely confident of his ability to succeed in his own huge, domestic marketplace.

One consistent pattern of behavior the authors observe is the American penchant for making decisions. While issues are heatedly debated, the discussion is seldom deep or lengthy and usually leads to a conclusion that is acted upon. "Better a bad decision than no decision at all" is part of American business ethos, the article states. Advocacy and argument substitute for a search for consensus and are the natural consequence of individualism buoyed up by optimistic pragmatism.

Another cited cultural value in the U.S. is that change is to be welcomed, rather than tolerated, and new ways are eagerly adopted and then quickly discarded and replaced. EC corporations tend to be much more conservative in their attitude toward change, especially in areas where things are going well.

The article recommends several things which can ease the challenges of working with U.S. managers. One is recognize that for a highly mobile U.S. managerial class, financial incentives are virtually the only motivation which they recognize. Europeans, accustomed to a much more mixed and ambivalent reward system, will find that "throwing money at people and problems. . . really does produce results far and away beyond their expectations." Another is to give clear, direct orders about what is to be done, rather than giving flexible guidelines and subtle hints. Indirect administration may confuse the American manager.

Overall, the EC administrative task is described as harnessing, directing and monitoring the energy, individualism and optimism of American managers.

A theoretic treatment is found in "Multicultural Management: New Skills for Global Success" (Elashivami, 1991, pp. 44-6).   The article, published in Japan, points out that many overseas operations are being established and are now facing the challenge of management in bi-cultural and multi-cultural environments. The differences in value systems quickly become apparent. Americans tend to perceive culture as consisting of beliefs, values and ways of thinking; Asians define it first as history and tradition; Arabs include these and add religion.

Managers must next understand which characteristic is valued most in the work environment: competition and individual accomplishment, group harmony, or authority and hierarchy. If several cultures are present, managers must acknowledge these differences and find ways to accommodate them.

Another Japanese article discusses situations in which managers are Japanese and workers are Americans or Arabs. Japanese managers are reluctant to express disapproval verbally and their negative nonverbal behavior is interpreted as hostility. This is coupled with Japanese unwillingness to respond with a definite yes or no, "which frustrates the majority of foreign workers."

In some ways, Japanese and Arabs are compatible in that both like to spend time getting acquainted and establishing relationships. Westerners prefer to move directly into work activities as a means of optimizing task accomplishment. Japanese in the work force tend to focus on one another and limit their involvement with foreign participants, thus conveying aloofness.   These matters were identified by the article as somewhat amenable to training.

All overseas operations are confronted with a cultural dilemma which is discussed in the final article.   The choice is between managing the foreign operation as though it were a branch of the home company or establishing it as an authentically "foreign" enterprise managed by hose-country methods. Since neither extreme is feasible for a variety of reasons, administrators are ambivalent about how to proceed.   This has led to the "Inverse-Practice Principle." In their apprehension about the impact of culture differences, many executives have been reluctant to attempt cross-cultural transfer of home-country management principles, even when such transfer appears feasible, efficient and economically sound. As a result, what they end up with may even be contrary to the way things are done at home.   This is true

even when differences are smaller than anticipated, such as absence of language problems or of internal culture conflict. It appears that some executives are oversensitive to pleas for cultural adaptation. They now must be willing to experiment with making overseas management more compatible with home operations (Maruyama, 1988, pp. 65-7).

Conclusion

Scholars of intercultural communication would be fairly comfortable with the business literature on the subject. They might be surprised at the strong emphasis on background and culture-specific learning as the central focus of preparation for cross-cultural encounters.

It is perhaps ironic that as some universities move toward expansion of foreign-language learning in connection with international business, the articles in this survey suggest limited importance for learning languages. One writer says that given training time and resources, he would prefer to see the emphasis go to more culture learning rather that language training.

One theme which deserves further academic attention is the matter of U.S. facilities with overseas ownership. The problems of U.S. managers are described in terms which are not entirely flattering. This perspective can provide ideas for American cultural self-study, a matter suggested by several of the European writers.

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