

# **Cross Cultural Management and Negotiation Practices**

**(Chapter Summaries & Conclusions)**

**Bahaudin G. Mujtaba**

© Bahaudin G. Mujtaba (2007). Cross Cultural Management and Negotiation Practices

Published by:

Dr. Bahaudin G. Mujtaba  
H. Wayne Huizenga School of Business and Entrepreneurship  
Nova Southeastern University  
3301 College Avenue. Fort Lauderdale FL 33315-3025. USA.  
Phone: (954) 262-5000 Or (800) 672-7223 / (800) 338-4723  
Email: mujtaba@sbe.nova.edu

Cover Design: Cagri Tanyar

Copyright © by Bahaudin G. Mujtaba

All rights reserved. No part of this publication may be reproduced or transmitted by an institution or organization in any form, or by any means, electronic or mechanical, including photocopy, recording, or any other information storage and retrieval system, without permission in writing from the author or publisher. As an individual, one can make a copy of selected pages for educational purposes so long as the author is credited.

ISBN: 978-0-9774211-2-1

ILEAD Academy, LLC  
Davie, Florida. United States  
[www.ileadacademy.com](http://www.ileadacademy.com)

# TABLE OF CONTENTS

<b>PART I – CULTURE AND MANAGEMENT .....</b>	<b>2</b>
<b>CHAPTER 1 .....</b>	<b>3</b>
<b>CULTURE AND INTERNATIONAL MANAGEMENT .....</b>	<b>3</b>
MANAGEMENT AND INTERNATIONAL MANAGEMENT .....	4
<i>Summary</i> .....	6
<b>CHAPTER 2 .....</b>	<b>9</b>
<b>CULTURAL DIMENSIONS AND RESEARCH.....</b>	<b>9</b>
THE GLOBAL ENVIRONMENT OF MANAGEMENT .....	9
GLOBAL AND PEOPLE ORIENTATION LEADERSHIP .....	11
<i>Summary</i> .....	13
<b>CHAPTER 3 .....</b>	<b>15</b>
<b>MOTIVATIONAL AND GENERATIONAL VALUES.....</b>	<b>15</b>
<i>Summary</i> .....	15
<b>CHAPTER 4.....</b>	<b>17</b>
<b>CROSS CULTURAL MANAGEMENT.....</b>	<b>17</b>
CULTURE AND INTERNATIONAL BUSINESS.....	17
<i>Summary</i> .....	18
<b>CHAPTER 5 .....</b>	<b>19</b>
<b>CULTURES AND SUB-CULTURES IN THE CARIBBEAN.....</b>	<b>19</b>
<i>Recommendations for Expatriates Assigned to the Caribbean</i> .....	19
<i>Summary</i> .....	21
<b>CHAPTER 6 .....</b>	<b>23</b>
<b>EXPANDING ABROAD: PAKISTAN OR ECUADOR.....</b>	<b>23</b>
<i>Summary</i> .....	24

<b>CHAPTER 7</b> .....	<b>25</b>
<b>CULTURE, ETHICS AND CORRUPTION</b> .....	<b>25</b>
<i>Summary</i> .....	26
<b>PART II – NEGOTIATION CHALLENGES AND STRATEGIES</b> .....	<b>27</b>
<b>CHAPTER 8</b> .....	<b>29</b>
<b>NEGOTIATION FUNDAMENTALS</b> .....	<b>29</b>
<i>Summary</i> .....	30
<b>CHAPTER 9</b> .....	<b>31</b>
<b>SUCCESS IN NEGOTIATIONS</b> .....	<b>31</b>
<i>Summary</i> .....	32
<b>CHAPTER 10</b> .....	<b>33</b>
<b>NEGOTIATION MODEL AND STEPS</b> .....	<b>33</b>
NEGOTIATIONS PROCESS AND STEPS.....	33
<i>Summary</i> .....	34
<b>CHAPTER 11</b> .....	<b>36</b>
<b>NEGOTIATION, DIVERSITY AND COMMUNICATION</b> .....	<b>36</b>
<i>Summary</i> .....	36
<b>CHAPTER 12</b> .....	<b>37</b>
<b>DIFFERENCES IN SAUDI ARABIA, JAPAN, GERMANY, CHINA, AND BRAZIL</b> .....	<b>37</b>
SAUDI ARABIA: DEMOGRAPHY, GOVERNMENT AND RELIGION.....	37
<i>Summary</i> .....	38
<b>CHAPTER 13</b> .....	<b>41</b>
<b>NEGOTIATION: AFGHANISTAN, THE UNITED STATES AND BRAZIL..</b>	<b>41</b>
INTRODUCTION TO THE AFGHAN AND AMERICAN CULTURES .....	41
SUMMARY.....	42
<b>PART III – SKILLS AND EXPATRIATE TRAINING</b> .....	<b>43</b>

<b>CHAPTER 14</b> .....	<b>45</b>
<b>COMMUNICATION: LISTENING TO UNDERSTAND</b> .....	<b>45</b>
<i>Summary</i> .....	46
<b>CHAPTER 15</b> .....	<b>47</b>
<b>GLOBAL INTEGRATION AND CONFLICT MANAGEMENT</b> .....	<b>47</b>
<i>Summary</i> .....	47
<b>CHAPTER 16</b> .....	<b>49</b>
<b>EXPATRIATE TRAINING AND DEVELOPMENT</b> .....	<b>49</b>
THE IMPORTANCE OF TRAINING AND DEVELOPMENT .....	49
<i>Summary</i> .....	51
<b>PART IV – CASES</b> .....	<b>52</b>
<b>CHAPTER 17</b> .....	<b>55</b>
<b>CASES</b> .....	<b>55</b>
<b>AUTHOR BIOGRAPHY</b> .....	<b>56</b>





# PART I – CULTURE AND MANAGEMENT

# CHAPTER 1

## Culture and International Management

Cultural, generational, financial, personal, and professional differences have been part of humanity since the days of Adam and Eve. Cultural differences impact almost every aspect of an individual's personal and professional life. Being an effective leader or manager in a diverse environment requires cross-cultural awareness, communication, negotiation, and international management skills. A starting place is the awareness of cultural challenges, complexities and influences in today's workplace. This book discusses the fundamental elements of culture, management, international management, communication, and negotiation topics in a global context.

International managers can best increase their organization's competitiveness and productivity by understanding effective management and cross-cultural leadership skills. One cannot always "go with the flow" as per the practices of one's mentors or previous managers. There is a story about a Japanese company and an American company from the United States that decided to have a canoe race on a major river. Both teams practiced long and hard to reach their peak performance before the race. On the big day, the Japanese won by a mile. The Americans, very discouraged and depressed, decided to investigate the reason for the crushing defeat. A management team made up of senior managers was formed to investigate and recommend appropriate actions. Their conclusion was the Japanese had eight people rowing and one person steering, while the American team had eight people steering and one person rowing. So American management hired a consulting company and paid them a large amount of money for a second opinion. The consultant advised that too many people were steering the boat, while not enough people were rowing. To prevent another loss to the Japanese, the rowing team's management structure was totally reorganized to four steering supervisors, three area steering superintendents and one assistant superintendent steering manager. They also implemented a new performance system that would give the one person rowing the boat greater incentive to work harder. It was called the "Rowing Team Quality Performance Program." It involved meetings, dinners and free pens for the rower. There was discussion of getting new paddles, canoes and other equipment, extra vacation days for practices and bonuses. The next year the Japanese won by two miles. Humiliated, the American management laid off the rower for poor performance, halted development of a new canoe, sold the paddles, and canceled all

capital investment on new equipment. The money saved was distributed to the senior executives as bonuses. Next year's racing team has been outsourced to India. This fictional story exaggerating real-world decisions in some modern firms demonstrates that instead of automatically restructuring, outsourcing, or trying the latest "fad" of the year, managers must be cognizant of proper long-term decision-making and management skills if they are to compete effectively with today's global organizations.

### **Management and International Management**

There is an old adage which says, "If you don't know where you are going, any road will take you there." This is the essence of why proper strategic planning must be an essential part of today's organization and a manager's duties. Strategic planning determines where the organization is now, where it wants to be, and how it is going to get there. The three stages of the strategic planning process are: (1) determining or understanding the company's mission statement and general goals, (2) strategy formulation, and (3) strategy implementation. For a multinational firm, there are at least three levels of planning which are corporate, business and functional. For example, at the corporate level, the executives, founders, and other senior managers with assistance from their employees create the corporation's mission. The business level consists of determining divisional goals; and at the functional level, managers determine functional goals. All the levels of planning need to be integrated, and effective communication, therefore, becomes a key element to planning effectiveness. Another way to look at planning is the time horizon considered. *Short-range plans* typically are called operational or tactical plans and consist of one year or less. *Intermediate-range plans* cover a 1-3 year time horizon, and *long-range or strategic plans* cover 3 years and further into the horizon. These plans do not have to roll over if they are no longer relevant and strategic plans should be constantly revised if the organization is to remain responsive to the changing environment. The characteristics of successful plans are that they are relevant, realistic, flexible, measurable, time-bounded, aligned with predicted results, and that they provide accountability and responsibility for results. Strategic plans, once put into implementation, should be controlled through an effective follow-up process. Control is the process where managers monitor and regulate how an organization and its employees are performing the activities necessary to achieve the stated goals. As management practitioners, today's leaders need to become familiarized with the various operational terms such as the three types of control: feed-forward control, concurrent control, and feedback control. Managers should be able to compare and contrast these methods of control to see how useful they are for one's industry and department. Managers should also be familiar with the common types of organizational control systems such as output controls, behavioral controls, and culture or clan control. The application of such concepts can help managers create an effective organizational culture that matches their core values.

So, what exactly is management? Simply stated, *management* is the process of achieving organizational goals with and through people using available resources in the most efficient manner possible. The functions of management include planning, organizing, leading, and controlling (POLC). The main functions of management are

likely to stay the same regardless of where one is managing. *International management* can be defined as the process of planning, organizing, leading, controlling, and performing other relevant management tasks and techniques within an international environment to efficiently achieve organizational goals through the available resources. Therefore, as implied through these definitions, managers can practice standard management roles within cross-cultural work environments. The management functions can be used to classify the manager's job. *Planning* means defining an organization's goals, establishing an overall strategy for achieving these goals, and developing comprehensive plans to integrate and coordinate activities. *Organizing* includes determining what tasks must be done, who will do them, how the tasks will be grouped, who will report to whom, and where decisions will be made. *Leading* includes motivating and directing employees, and communicating and resolving conflicts. *Controlling*, on the other hand, means monitoring performance, comparing results and goals, and making corrections and adjustments as needed in a timely manner.

Besides performing the regular management functions, managers must also be concerned with doing the right things (effectiveness) in the right manner (efficiency) in order to increase the organization's performance. *Organizational performance* measures how efficiently and effectively managers use resources to satisfy customers and achieve their goals. *Efficiency*, or doing things right, is a measure of how well resources are used to achieve a goal. The key about efficiency is to be doing the right things right. *Effectiveness*, doing the right things, is a measure of the appropriateness of the goals chosen to get the firm to its destination, and the degree to which the stated goals are achieved. Effectiveness is concerned with selecting the right goals and making sure they are achieved. As a manager and leader, one must consider what might be the results of not being both efficient and effective in the department and/or organization.

The success of a person and an organization is often determined through effective leadership and efficient management. During his presentation on June 25, 2006, at the Society for Human Resource Management (SHRM) conference, the retired General Colin Powell, of the United States, emphasized that to effectively lead, professionals need to focus on those individuals who actually get the work done and get those who are standing by moving. General Powell said that if a manager or leader has a sense of purpose and direction, this will become contagious among his/her peers, colleagues and employees. General Powell believes that professionals need to nurture and take care of their people so they are appreciated and their performance is recognized and valued on a regular basis. What is a fact is that effective leaders tend to set high standards to meet and exceed the stated goals and objectives. According to General Powell, effective leaders are honest and truthful; they look reality in the eye and face the facts, while strategically planning to move forward. Strategically moving forward requires that managers and leaders plan on maintaining a motivational work environment. General Powell's predecessor, General Norman Schwarzkopf, said that effective "leadership is a potent combination of strategy and character; if you must be without one, be without the strategy." Strategy implementation becomes much easier and simpler when a leader is respected for his/her character.

Barabara Glanz, during her presentation at the 2006 SHRM conference, emphasized that managers must take responsibility for the morale of their people and department. Morale is the nature of a relationship between employees and the organization. Morale reflects the nature of the department and reveals the heart of an organization at its best or worst depending on the outcome of the assessment. Management should keep their finger on the pulse of the organization and measure morale on a regular basis. Managers and leaders must have the ability to create a sense of pride among employees about the organization and its objectives. Managers and leaders must also recruit, retain, develop, and motivate a high-performance workforce if they are to be productive and efficient in their individual positions, tasks and departments. The number of years employees stay in an organization is directly linked to the type of relationship they maintain with their superiors. Managers and leaders can motivate and increase organizational morale by engaging all employees in the mission and vision of the firm. Engaging everyone in the organization requires ongoing and effective strategic planning, appreciation, communication, and employee recognition programs. Managers can “LEAD” by:

- *Learning* about the needs and wants of their people on a continuous basis.
- *Educating* and “*empowering*” their people about the mission, vision and objectives of the organization and department. Empowering, at its best, comes with proper education, training, development, responsibility, and the authority to get the job done. Through effective and timely education, true empowerment and enthusiasm will be the natural results in a given department or organization.
- *Acknowledging* and “*appreciating*” the contributions of all employees on an individual basis.
- *Demanding* high performance and total integrity from everyone in the organization.

### **Summary**

Valuing cultural differences and international laws is not just an idea that sounds good and promotes positive publicity for the firm. Valuing cultural and managerial differences and each person’s genuine commitment to the thorough implementation of effective international management practices are critical to one’s success as an individual and to the company’s survival. In order to be successful, diverse international workers and managers need to become culturally competent. *Cultural competency* refers to the continuous learning process that enables individuals to function effectively in the context of cultural differences. This chapter discussed culture, management, international / global management, international laws, as well as the history of management and the impact of culture on people and modern national and multinational organizations.

Reflecting on various topics regarding management, culture and cross-cultural management and negotiation practices can be fruitful for learning and effective leadership. Perhaps one can use such reflections and experience as a learning tool, while appreciating the alternative courses and attempting to avoid the negative “routes” in the future. Author Anne Bradstreet is quoted as having said that

“If we had no winter, the spring would not be so pleasant; if we did not sometimes taste of adversity, prosperity would not be so welcome.” Such experiences and thoughts can reshape philosophies and form a person’s realistic paradigm of the future. The Dalai Lama states that “This is my simple religion. There is no need for temples; no need for complicated philosophy. Our own brain, our own heart is our temple; the philosophy is kindness.” Accordingly, while people can write anything they want, each person should use his or her own brain and analyze the current facts prior to taking an appropriate action.

The popular boxer, George Foreman, is quoted as having said "That's my gift. I let that negativity roll off me like water off a duck's back. If it's not positive, I didn't hear it. If you can overcome that, fights are easy." Author Samuel Smiles is quoted as having said that “It is a mistake to suppose that men succeed through success; they much oftener succeed through failures. Precept, study, advice, and example could never have taught them so well as failure has done.” At the mean time, one must remain patient and persistent toward a better future. A Chinese Proverb, with regard to patience, states that “One moment of patience may ward off great disaster. One moment of impatience may ruin a whole life.” While being patient, people should also think of ways to improve the situation or status quo for themselves and their colleagues. Rollo May has been quoted as saying that “Creativity arises out of the tension between spontaneity and limitations, the latter (like the river banks) forcing the spontaneity into the various forms which are essential to the work of art or poem.”



# CHAPTER 2

## Cultural Dimensions and Research

Cultural influences and practices have been impacting individuals, teams, organizations, and businesses every day since the beginning of time and it will continue to be a major influence in everyone's lives. This chapter discusses culture, cultural research, cultural dimensions, diversity, and other such issues which cross-cultural researchers and global employees should be aware of as they conduct research as well as when they recruit, attract, hire, develop, promote, and develop a strong expatriate workforce.

### The Global Environment of Management

Regarding the topic of global environment, some professional managers in the twenty-first century will get the opportunity to work with diverse individuals or in a decidedly different culture. This poses rigorous and numerous challenges, not the least of which is culture shock. Culture shock occurs when expatriates realize that their old ways of doing things, which have always made them successful, may not work as well as they used to in the new culture and work environment. Hopefully, in a successful scenario, they adapt over time and become successful. Effective adaptation and integration depend on many things, including the manager's personality, his or her flexibility and attitude towards new things and change, his or her ability to rely on local mentors to provide accurate and timely assistance, family support, and willingness to experience a new culture.

There are many cross-cultural researchers who have developed various concepts and theories to explain the extent to which one culture can affect others when people migrate (for example Afghan immigrants moving to the United States, Europe, Russia, Pakistan, and Iran) and interact in the global marketplace as is the case with many non-governmental organizations (NGOs) impacting business and entrepreneurship in Afghanistan today. Such global interactions can result in convergence, divergence and crossvergence of cultures or sub-cultures. *Convergence*, as mentioned previously, is basically the merging of different cultures resulting from the influence of globalization and other factors that bring the cultures into close contact with one another. *Divergence* is the extent to which distinctiveness is exhibited and maintained by a specific culture despite interaction with other cultures. Finally, *crossvergence* is the creation and development of a new culture with its own

characteristics that result from cultures interacting with each other for a prolonged period of time. A good opportunity for research, as one example, would be to examine the value orientation of Afghans and assess their willingness to adapt to specific foreign or specifically the western culture is a way to support or reject the theories of divergence, convergence and crossvergence. Convergence explains the merging of different cultures by such factors as technology, globalization, economic growth, and industrialization. Divergence, on the other hand, is a state in which there is a marked strength exhibited by individual cultures despite globalization. Crossvergence occurs as cultures are exposed to each other and some new cultural characteristics are formed that are distinct from any of the cultures that are interacting.

To fully understand culture we must be able to stand back and view our own culture as others might. It is very important to get away from the ethnocentric and narrow-minded view that one's own culture is "right," "normal," or "superior" and that other cultures are inconsistent, strange or inferior to one's own. Oftentimes, we think of "primitive" cultures as practicing outdated rituals, but rarely see such elements in our own culture simply because we are used to it. Of course, our own cultures have rituals just as the so called "primitive" cultures do. What is important about cultures, sub-cultures and other such differences is that managers need to manage such diversity in the workforce effectively.

*Diversity management* is the process of becoming culturally competent and conscious by understanding the needs, wants, desires, strengths, weaknesses, beliefs, and values of each team member while providing him or her the opportunity to contribute to the collective genius of the whole; thereby, creating synergistic results that are equal to or greater than the sum of the individual parts. "Diversity consciousness" can be seen as the proactive and progressive activation of the mind or senses to create awareness and develop understanding and skills in the area of diversity. It requires life-long soul searching, self-reflection, and learning. It requires diversity education - strategies that enable one to develop diversity management skills. Diversity consciousness requires effective interaction and communication with all individuals. *Communication*, when effective, is a process of sharing information with another person in such a way that s/he understands what you are saying. On the other hand, *intercultural communication* is the process of sharing information or interacting with a person from another culture. So, managers need to be effective intercultural communicators as they deal with so many different ethnicities, cultures, customs, and languages. Diversity conscious individuals understand that as children, they do not necessarily have much control over their programming and may have received negative or stereotypical information about others. However, as adults they have full control over their behavior and, therefore, are 100% responsible for changing/controlling any negative programming they may have received as children.

All managers should understand that national cultural values are often embedded into one's subconscious mind during childhood. Therefore, some individuals are unaware of their cultural conditioning. On the other hand, organizational value are usually taught and learned later in life either through general education or workplace training. Therefore, these values are often assimilated into one's conscious thoughts and can be changed quicker through socialization into the new culture. *Transculturation* is the process by which a person adjusts to another

cultural environment without sacrificing his or her own cultural identity--making necessary adjustments without assimilating or losing one's cultural distinctiveness. Transculturation can be very empowering when one can adjust to any situation without sacrificing or compromising his or her personal beliefs. Transculturation can be very beneficial for a workforce as it leads to individuals who are familiar with many cultures. For example, a person of mixed cultures may know that there are some differences between monochronic and polychronic time orientations in different cultures. In *monochronic* cultures, time is experienced and used in a linear way. Monochronic time means paying attention to and doing only one thing at a time. *Polychronic* time means being involved with many things at once; as such, there is more emphasis on completing human transactions than on holding to schedules. A mixed culture group is more likely to be synergistic when the task is organized so that diversity is an advantage, the task is non-routine and open-ended, top management is supportive, cultural diversity training is provided, and the commitment of group members is rewarded.

Cultures tend to progress in a uniform and consistent way over time. However, some aspects of a culture may not change as fast as others. For example, *cultural lag* is when parts of how things are done in the culture are not keeping up with the rest of the society. For example, a culture can be technologically developed and still hold on to their deeply-held values and perspectives that are very different from the rest of the world. As a matter of fact, one of the functions of culture is to regularize human behavior in a predictable and systematic way. As such, many individuals who are new to a totally different culture may experience extreme discomfort and at times depression, known as culture shock. *Culture shock*, as alluded to before, is a sense of psychological disorientation that some people suffer when they move into a different culture or work environment. It is the initial adjusting process of an individual when encountering a new culture. It is a natural response to a new cultural experience. The best way to eliminate culture shock is to become a multicultural person. *Multicultural person* refers to a timeless "universal" person who approaches the ideal world of a person whose lifestyle is one of knowledge and wisdom, integrity and direction, principle and fulfillment, balance and proportion. S/he is neither totally a part of nor totally apart from his/her culture; s/he lives, instead, on the boundary. Perhaps, all managers and expatriates need to become "multicultural persons" if they are to be effective leaders with a diverse workforce and produce synergistic results in today's global world of management.

### **Global and People Orientation Leadership**

Regardless of cultural differences and orientations, managers, local and international, need to concern themselves with more than just profits or "making the bottom-line numbers" at the end of each week, month or year. Managers need to be effective leaders by being concerned with the required tasks as well as their people. *Leadership* is the process of influencing an individual or a group of individuals while providing an environment where personal, professional, and/or organizational objectives can be successfully achieved. Leaders tend to use various amounts of task or relationship behaviors. *Task behavior* is the extent to which leaders engage in top-

down communication by explaining what the follower is to do, as well as when, where, and how each function is to be accomplished. *Relationship behavior* is the extent to which leaders engage in joint communication with followers while providing socio-emotional support. To determine your leadership orientation with regard to task and relationship tendencies, complete the Task and Relationship Style Questionnaire at the end of this chapter and the results will show your use of various task and relationship behaviors.

Besides being both task- and relationship-oriented, managers need to concern themselves with the wellbeing of people. Carol Hymowitz, in her *Wall Street Journal* on March 8 (2005, p. B1) titled “*When Meeting Targets Becomes the Strategy, CEO Is on Wrong Path,*” stated that when companies become fixated on hitting quarterly or daily targets, oftentimes they do not produce sustainable profit growth. She quoted organizational psychologist Richard Hagberg who said “It’s hard to capture employees’ hearts, and best efforts, with numbers alone.” In a recent study of 31 corporations, Hagberg’s staff found that the highest returns were achieved at companies whose CEOs set challenging financial goals but also articulated a purpose beyond profit making, such as creating a great product, and convinced employees their work mattered. Similarly, Susan Annunzio, CEO of the Hudson Highland Center for High Performance in Chicago, found that the biggest impediment to high performance (defined by her as making money for the company and developing new products, services and markets) is short-term focus. She and her staff in 2003 researched 3,000 managers and knowledge workers at global companies such as Microsoft, Intel and J.P. Morgan Chase. About 10% of the respondents said they worked in high-performing groups, and 38% said they worked in “nonperforming groups.” But almost one-third of the non-performers said their businesses used to be high performing. Annunzio and her staff asked what had happened and the respondents had said “top management raised our targets, cut our budgets and staff, and we couldn’t sustain results.”

Global managers need to concern themselves with the people side of the business. Global managers need to be concerned with culture shock—both upon arrival and departure. Issues to be considered when relocating to another country include family issues, health care issues, education of children and family members, taxes, living quarters, salary, cost of living equity, transportation, local laws, etc. Besides culture, a country’s political and economical consideration further complicates the equation for international managers.

An example of such complexity in the global management arena is the situation with the culture of Russians. Russia has been and is a market with huge opportunities for businesses, but most of its institutions are still in infant stage, giving rise to some economic instability and limited market conditions. Its high unemployment and lower GDP (gross domestic product) per capita also seem to be a constraint for a constant consumer purchase power. The Russian culture is evolving, helped by a rank of young Russian professionals that are becoming more individualistic. For any enterprise endeavor, it is advisable to have a good national partner to plan some of the business infrastructure limitations, and conceive goals beyond only the shareholders. In many cases, in the United States, cross-cultural training is a mandatory activity for all employees involved in international organizations and those who travel abroad. For expatriates it is critical to also train

the immediate family members and relatives. Otherwise, failure could come not only from the economic activities but from political, marketing, interpersonal, and cultural differences.

With the convergence of a global workplace, there is a need to ensure that people are not discriminated against nationally as well as internationally. So, to ensure continuity throughout the company, everyone should be required to attend cultural competency and sensitivity training. Sensitivity training involves understanding different cultures and how people of different cultures act in various situations. The training should help everyone become culturally competent and mature.

### ***Summary***

Stereotypes and cultural misunderstandings are likely to exist in various parts of the society for many decades and centuries to come. Professionals should create a work environment that respects human beings and supports them in capitalizing on their unique qualities. This chapter has presented some of the major studies regarding cultural dimensions that have been studied in the past three decades. Studying cultures through actual research and primary data can point to the facts and specific differences and commonalties that exist among people in different nations and regions.



# CHAPTER 3

## Motivational and Generational Values

People of different cultures, generations and times have different values and, thus, are motivated by different factors. It is assumed that treating others the way we want to be treated is sufficient for healthy interpersonal relationships and, perhaps this is true to some extent. The “Golden Rule” (doing unto others as one would want done to oneself) may not always apply in each case since the population is now more heterogeneous and, thus, some have resorted to adopting the “Platinum Rule” in their workplace. The Platinum Rule states that one should treat others the way they want to be treated. Today’s diverse generations and cultural values require flexibility in using management and leadership approaches that are relevant for the culture, time and generations of people. This chapter provides a study of differences in values among groups of respondents from different countries. The chapter also provides an overview of motivational theories and concepts.

Few studies have explored generational similarities and differences in values, and even fewer have done so with working adult populations in more than a few nations at one time. To help fill this research gap, the researchers investigated generational similarities and differences among working adults in the United States, United Kingdom, Iceland, Japan, Korea, the Philippines, Afghanistan, and Colombia using the Rokeach Value Survey. The hypotheses were supported for cross-cultural generational differences for 23 of 36 values, but there were many generational similarities in each nation. For generational similarities, sixteen values were ranked most important, important, or unimportant for the 40+ year old generation; thirteen values were ranked most important, important, or unimportant for the 18 to 29 year olds, and thirteen values were ranked most important, important, or unimportant for the 30 to 39 year olds. Furthermore, some of these results are also compared with the values of respondents from Afghanistan.

### *Summary*

These research results strongly suggest that societal values have changed since Rokeach’s research found these generational patterns in the 1970s. As previously discussed, the study only found partial support for the generational patterns he listed. Further research needs to explore the new generational patterns that

exist in the United States and in other nations. This study suggests that when values are explored across the generations, more similarities exist than when exploring cross-cultural values alone. This observation is important in that senior corporate and government leaders, managers and marketers need to employ their motivation and marketing campaigns in a way that meets the values of their employees and customers.

Much larger studies in each nation need to verify the results found in this study. Generational research needs to take place in other nations as well in order to identify the values that are important for all generations across the world. Longitudinal studies need to be conducted cross-culturally, and with a larger variety of populations. Most of the populations that the authors used were from larger cities. Do these same value structures apply from individuals raised in smaller towns? Only further research will confirm the findings in this study.

Studies are needed to explore value, attitude and leadership style similarities and differences between employees, managers, marketers, and senior managers in all of these nations. Researchers need to explore the impact of socialization by exploring value similarities and differences between respondents born in one nation, but living in another nation. For example, the value structures of Colombians born in the United States, but raised in Colombia, could be compared to Colombians born in Colombia and raised in the US. What about Japanese born in Japan, but raised in the United States, and Japanese sojourners living in the United States? This same study could be compared with United States residents born in the United States and raised in Japan, United States residents born in Japan and raised in the United States, and United States sojourners living in Japan. This research could be conducted for each nation in question in order to explore the impact of socialization. What about gender roles and in each country? Also, cross-cultural studies of entrepreneurs in each country are needed.

Murphy, Mullen and Anderson reported that the values of working adults in the United States changed right after the terrorist attack on the World Trade Center in New York City. Did the value structures of high school students change after the terrorist attack? Further research needs to explore whether those same values changed for all segments of the United States population, and for other nations throughout the world. For instance, in France, Muslim teenagers who felt stereotypically profiled by the society went on a one week rampage, burning cars and demanding equal treatment from the French government. Was their behavior as a result of 9/11 and other terrorist incidents around the world?

In addition, many of the research studies in this literature review did not report standardized results that could be used by future researchers. Meglino's (1998) review of the value research literature told the research community that this was a problem in the 1990's. This problem still continues today, as many researchers using the Rokeach Value Survey do not report the terminal and instrumental value means, rankings, and top and bottom five values of importance that would allow researchers to make comparisons to their studies in order to add more meaning to their research results.

# CHAPTER 4

## Cross Cultural Management

Globalization has created a need for organizations to conduct business and send staff to manage operations in disparate cultures. Increased cross-cultural contacts are likely to result in misunderstandings and conflicts unless people can learn to effectively and harmoniously deal with persons from other cultures. Management practices, however, that are favored in the home country are often likely to be unwise in countries culturally dissimilar to the home country. Misjudging local work-related values can lead to labor unrest and riots, resulting in considerable property damage and loss in production. Expatriate managers, however, typically apply a leadership style used in their home country rather than adjust or adapt to the local cultural norms. One example was a finding that immigrant managers from countries where autocratic leadership style is the accepted norm living in the United States for 10 to 20 years have not adapted the more democratic style consistent with American cultural values. Expatriates are selected for overseas assignments often only on the basis of technical competence. Managers assigning personnel to overseas supervisory positions, however, need to give equal weight to selecting people with the personality characteristics suited to the challenges of managing in a cross-cultural environment.

### **Culture and International Business<sup>1</sup>**

Globalization of business has placed another set of environmental pressures on national cultures. Nations doing business with each other are forced to adjust their cultural traditions to gain acceptance and succeed in the host countries. To this end, appropriate selection of expatriate representatives is of critical importance. Erbacher, D'Netto and España (2006) stress "the need to identify an 'effective profile' based on skills such as intellectual communication competence and intercultural sensitivity that are unlearnable or learned only in the long run as opposed to skills like language and knowledge about foreign cultures that can be acquired over the short run." They also make the distinction between "surface" (in terms of general adjustment) and "deep level" (in terms of areas of work and interaction adjustment) cultural differences. Erbacher, D'Netto and España also cite the work of numerous authors, including

---

<sup>1</sup> Contributed by Faithlyn Stephens and Jenine McBarnett, Nova Southeastern University.

Tung (1981), who identified various factors that affect expatriate success. These are personal factors – perceived career path, willingness to relocate, degree of international orientation, and situational factors – selection criteria, training, role clarity, level of support, strength of relationship between the expatriate and the firm, and performance management system. Erbacher, et al. (2006) used these factors as the basis of their research to determine the degree of success of Australian expatriates in the People’s Republic of China. The results of the research support the importance of these factors for expatriate success. A very profound finding was that family members are crucial to the success of expatriates in their overseas assignments. The lack of adequate preparation of family members to aid in their acceptance of and adjustment to the new culture can result in expatriate failure.

Lung-Tan Lu (2006) draws attention to “the influence of cultural factors and international human resource (IHR) issues (management styles, role stress, conflict resolution strategies) on international joint venture (IJV) performance.” He cites Hofstede's (1983) four dimensions – power distance, uncertainty avoidance, individualism, masculinity, and the fifth dimension that was introduced in his 1991 study – long-term vs. short-term orientation – as factors that have given rise to the concept of national culture. Hofstede argues that “nation can be the cultural boundary since the different systems between countries, such as legal and educational systems, are the collective programming which differentiate people of one nation from another” (Lu, 2006). Lu quotes Buckley and Casson (1988) that “the concept of cultural similarity and nationality are correlated and distinct.” Cultural factors, Lu states, have significant influences on the management styles, role stress, and conflict resolution strategies of IJV general managers and IJV performance. Furthermore, the differences of management styles between parent firms have significant influences on the role stress of IJV general managers and IJV performance. Lu’s study concluded that “the ability of foreign and local parents to work together effectively is largely dependent on their fit of human resource practices, which are influenced by their own culture.”

### ***Summary***

The essence of management is to make sure an organization’s resources are efficiently used in successfully achieving the stated short-term and long-term goals. Of course, the achievement of this objective becomes more challenging when managers deal with different individuals, governments, suppliers, and cultural expectations across the globe. Therefore, cross-cultural management strategies become an essential component of their skills and success. The chapter has covered some of these concepts that are essential in cross-cultural management as well as in effective decision making.

# CHAPTER 5

## Cultures and Sub-Cultures in the Caribbean

Culture forms an integral part of a nation's identity. Many definitions have been cited for this very complex phenomenon which is thought to follow a process of evolution and constant change as persons seek to adjust to and survive in their environments. The face of business has changed dramatically over the decades and it has become increasingly difficult to identify the nationality of organizations in the global marketplace. This has resulted in a growing interest in the importance of expatriate managers to understand cultural differences and how to successfully work in different countries and global regions. This chapter focuses on examples of the cultures of Jamaica and Trinidad & Tobago and how expatriate managers can achieve success in the Caribbean region. The Caribbean nations have a rich culture and an overview of the countries of Jamaica and Trinidad & Tobago serve as a good basis for cultural differentiation.

### *Recommendations for Expatriates Assigned to the Caribbean*

Author and researcher Betty-Jane Punnett used the Cultural Perspectives Questionnaire to research and measure cultural variables found in Trinidad & Tobago and Jamaica. This questionnaire focused on relationships among people within each island, relationships with the environment, views of human nature, and people's activity base. The results of the survey show that for both nations, the values measured are very close together and the profiles are highly correlated. This indicates that the nations are indeed very close in cultural values.

The cultural features of Trinidad & Tobago and Jamaica are also common to the other Caribbean islands and it is important for international managers to know the cultural environments of the islands. There are many opportunities for international business ventures and having a deep understanding of the cultures will help expatriate managers to better succeed in their business enterprises. According to Nurse and Punnett, "a substantial amount has been written about cultural aspects of the English-speaking Caribbean, but there is little empirical measurement of the suggested cultural values, and it is unclear how factors such as history, ethnicity, the economy, and language in the region relate to cultural values, or how cultural values relate to

effective management.” Their research, therefore, provides more information on these relationships for managerial purposes as sought after by international managers.

The report gave a number of suggestions to international managers in developing effective strategies for business operations in Trinidad & Tobago and Jamaica. The organization structure should not be one which employees relate it to as a strict hierarchy. The profile in the research suggests that this would be ineffective management and demotivating for workers. The North American Research (House; Hackman and Oldham) recommends that a “Theory Y” style of management should be used, incorporating autonomy, more responsibility, self-managed groups, trustworthiness, and empowerment, which are more likely to result in motivated employees with a higher level of productivity.

Like the climate, Caribbean nationals are warm, very receptive to visitors and excellent hosts. Do not, however, take them for granted. The power distance in the Caribbean is high and managers at all levels expect to be accorded the appropriate respect for their “position.” In Jamaica, employees in any category who have worked for the same organization for many years have “earned their seniority” and are the “bosses” in their domain. Never, ever, let them feel that you have come to divest them of their “power” – that is considered to be a very serious offense with unpleasant consequences. Be very “nice” to them, use them as your resource persons and you will be assured of success. Although the economies are small, those persons who have availed themselves of educational opportunities are well-educated, brilliant and highly skilled. They take business seriously and are formal in business dealings as evidenced in the dress code and protocol. Business associates are addressed by their last name preceded by the appropriate title (Ms., Mrs., Mr., Dr.). Allow your host to take the lead in business discussions; do not rush negotiations. Caribbean nationals are detail-oriented and examine the facts and figures carefully before making a decision. More and more women are occupying executive and senior roles in Caribbean organizations (Jamaica, for example, now has its first female Prime Minister) and they tend to drive a harder bargain than men in negotiations. The societies have a mix of individualism and collectivism, and the people are proud. Business associates view expensive gifts as bribery and this is frowned upon. Religion and politics are two “hot” topics in the Caribbean – tread lightly or steer clear. Caribbean people are private and do not divulge personal information readily; play it safe and stick to the business at hand. If they like and trust you, you have earned a business partner (and caretaker).

Hemminger quotes Mikhail Bakhtin that “cultures are heterogeneous groups of people whose conversations – the record of their poetry, their discord, and their babble – become an ongoing dialogue in a constantly changing, adaptive language; there is little fixed or permanent status to any culture; a culture is always so much more than any given language can express.” The history and cultures of Trinidad & Tobago and Jamaica have been greatly influenced by colonialism, slavery, abolition, immigration, and finally by globalization. The islands owe much of their culture and heritage to the British, Spanish, Africans, Indians, and other minor ethnic groups who decided to settle there and make the islands their dwelling place and eventually home. They brought their ways of worship, religion, foods, sports, clothing, musical rhythms, and instruments to the islands. As each ethnic sect and group mingled, communicated, interacted, and even married a unique culture developed which can be

distinguished in each island. There are many similarities and also differences in their cultures and history.

“The application of the term *culture* to the collective attitudes and behavior of corporations arose in business jargon during the late 1980’s and early 1990’s” (American Heritage Dictionary of the English Language, 2006). In the global economy, it is very important to understand the differences among cultures, languages, values, beliefs, politics, governments, and business laws as these have a profound effect on business practices. With the advancement of technology and increased efficiency over communication networks internationally, it is in the best interest of international managers to be knowledgeable about the environment that they plan to venture into and set up operations. In Trinidad & Tobago and Jamaica many similarities were found by researchers when comparing the cultural values held by employees in the workplace. Employees (throughout the Caribbean) prefer more responsibility, interesting work, group projects and lower power distance in management structures. In contrast, management in the nations has been influenced by the British system and still shows evidence of this influence by strict management, top-down approach, authoritative style and little feedback encouraged from employees.

### **Summary**

Selection and training of suitable managers for expatriate assignments are very crucial for international business success. Research has shown that sensitivity to cultural differences and cognitive intelligence are more important qualities for an expatriate manager than language skills and knowledge of a particular culture. The expatriate’s family should also be prepared for the change, support the expatriate in his/her assignment, and the expatriate’s goals should align with the organization’s goals. The expatriate should be motivated to make the change and the organization should make provisions for adequate pre-post, post and repatriation support. Effective coordination between the personal and situational factors will determine the level of the expatriate’s success (or failure). The chapter has provided unique and brief introductions to the complexities of cultural differences and similarities in the countries of Jamaica and Trinidad & Tobago. Relevant recommendations are provided for foreign managers conducting business in these cultures.



# CHAPTER 6

## **Expanding Abroad: Pakistan or Ecuador**

International expansion is a reality of life for an organization's growth and survival in today's competitive global environment of business. If a company does not strategically grow nationally and internationally, it is for certain that competitors will eventually reach their local market, thereby shrinking the firm's share of the industry. Of course, expanding abroad requires strategic planning and choosing the right markets or cultures where a company's products and services will have a greater likelihood of being accepted. Such factors as the business environment, the economy, politics, level of corruption, law and order, religion, language, availability of skilled and educator workforce, and many other variables may influence the decision of how, when and where to expand a company's products and services. This chapter focuses on the countries of Pakistan and Ecuador as these are two diverse cultures in different continents that a company can target for international expansion.

Pakistan and Ecuador cultures and history differ immensely. For starters their geographical locations are in the continents of Asia and South America. Their national languages are that of Urdu and Spanish. Their religions differ from Islam to Catholic. Although these countries have an array of differences they also share commonalities such as the fact that they are both third-world countries and both countries face political instability or war ridden effects. These are not the only similarities between the two countries as the chapter moves forward a clearer picture will be presented. This chapter also provides guidance for doing business in these respective countries and will show their commonalities as well as differences. If your company had the choice of expanding either into Pakistan or Ecuador for new market share, where would you plan to go first and why? And, how would you expand into this new market and why? You may research the current status of these countries through their embassies as well as other sources regarding the business environment, local laws, openness to foreign products, political stability, workforce availability, etc. and think of the various variables that might influence your decision. Reflect on these questions as you read through the chapter.

***Summary***

It can be determined from the previous pages in this chapter that both Pakistan and Ecuador prove to be high context cultures that share similar negotiation styles. Both countries seem to exemplify proud citizens with strong traditional roots. They also share political instability as well as corruption which can be a reason for their traditional styles. Their differences show that a cross cultural comparison is pertinent to perform when vacationing or conducting business in any destination other than one's own for the simple reason that one does not know what to expect, therefore it is better to be prepared so one will not experience cultural shock. Hence, differences in ideology, culture, economic and political systems affect organizational, operational and managerial decision making in the two countries.

# CHAPTER 7

## **Culture, Ethics and Corruption**

The study of ethics and corruption is important for all global managers and employees. By understanding ethics, morality and values, one can be better prepared to avoid unethical activities. The definition of corruption varies among different countries, cities, peoples, and business organizations. The negative implications associated with corruption in one country may mean quite the opposite in another. However, most people might agree that corruption is an act that is conducted with the intent to give an advantage to an official duty or other people. This chapter discusses ethics and leadership as they relate to a global context. It also discusses corruption, which seems to be associated with both developed and developing economies. The chapter analyzes the case of Afghanistan, as a country that is on the verge of rebuilding, to discuss how poverty and corruption can be linked and eliminated through human development programs.

Conventional wisdom says that almost all people expect, respect and strive for an equitable and fair form of democracy. We tend to think we know what it is, until asked. So what is it? A thoroughly democratic acclamation in China is the Maoist party promise of riches first and democracy later; France changing its constitution to provide more democracy in accordance to the laws of the European Union; Iraq drafting a democratic constitution to replace the laws once created by the one party system. Democracy has become the solution to freedom, but has it also become the solution to corruption? From the 2,000 mile border shared between Mexico and the United States, to the Straits of Gibraltar that splits the Atlantic Ocean and the Mediterranean Sea and to the Tasman Sea shared by Australia and New Zealand, corruption is a hidden epidemic that has spread throughout the world. The lack of treatment has allowed it to become bacteria that manifests within its environment and spreads into the minds and eyes of people, cultures and nations from generation to generation. Corruption has been in existence since the birth of humans, where it has progressively worsened. What is true is that most people do not want corruption and bribery in their culture, yet such behaviors and actions might be part of their society due to economical realities or unstable governments. So, corruption is not a cultural issue but rather an economical and political concern. The idea to combat it has also been around, but the notion of executing it has just remained a notion in many cultures. Different forms of corruption, its existence and effects in the

political and economic realms among international managers and solutions to prevent it will be further explained.

### *Summary*

There are several areas in which corruption needs to be reduced and can be reduced, especially where organizations such as the International Monetary Fund (IMF) and the World Bank are largely involved. These organizations are helping nations to be rid of corrupt officials at the national and local levels in order to combat corruption at the international level by providing incentives through monetary aid. There are several ways that corruption can be combated, including having the IMF and World Bank insure that all bank loans are used effectively and efficiently, where other financial institutions can prevent fraud in projects that they finance. The international legal system should provide measures to criminalize bribery, eliminate tax deductibility of bribery as a form of business expense, as well as increase the transparency of public procurement. The international legal system should also enforce sanctions on countries, including developing and OECD nations, that fail to comply with agreements and treaties in regards to anti-corruption measures (Bhargava, 2005). International institutions need to fight corruption at the macro level, while at the same time; the national governments must contest it at the national and local levels in order to manage corruption. This can be seen in countries such as Singapore, where there are very low levels of corruption amongst the government officials, citizens, local officials, and MNCs due to the strict enforcement of penalties that exist for such crimes. If other nations followed the example of Singapore, then they too can provide a safe haven for their citizens and international investors, as well as attract high levels of foreign direct investment. MNCs from developed and industrialized nations can also deter corruption with their international managers through auditing practices that “prevent the establishment of ‘off the books’ or secret accounts,” as well as preclude the development of documents that contain improper records of transactions made by international managers (Shenkar and Luo, 2004). There are several other forms of preventing corruption, however combating it effectively lies in the hands of national governments that must enforce anti-corrupt regulations at the local levels.

The grand epidemic of corruption has manifested within different environments, where its existence in the political and economic realms has quietly spread. International managers from western based societies are not equipped to learn the ins and outs of engaging in it and neither are societies within the developed and developing countries. Yet, it is the people of these countries who have been caught in this vicious cycle. There are several policies that have been conceived among different Presidents, officials and international organizations, but the enforcement of these prescriptions have been weak to non-existent. Fingers are constantly pointed at one another by different nations and their people, but all can be blamed for corruption in one form or another. Until policies and regulations are enforced, this epidemic will continue with its fate, where not only will nations be affected, but most importantly, its poor, who will pay the ultimate price.

# PART II – NEGOTIATION CHALLENGES AND STRATEGIES



# CHAPTER 8

## Negotiation Fundamentals

Human society is inherently conflictive and thus, the basis for negotiations being a necessity for life and living in germane and peaceful surroundings is firmly established upon the nature and resolution of human inter-social and inter-cultural conflicts. Negotiations are therefore indispensable to our progress as peoples, cultures and nations with clashing viewpoints, values, ideals, and ideologies governing our behaviors and relationships with our fellow colleagues across all boundaries. In order for progress, which requires peace to take place, we need to negotiate at those strategically climaxing points where cultural, social, ideological, philosophical differences and obstacles challenge and impede our abilities to deal justly and ethically with each other for the benefit and betterment of all parties and wider humanity. Thus, the basis for negotiation is not only a rational, but logically positive and productive one in which we achieve peace and progress, civility and increased consciousness and knowledge.

Besides making business deals, effective negotiation practices can have many other uses as well, such as conflict resolution strategies among various nations or opposing parties. Dr. Honggang Yang, Dean for the Graduate School of Humanities and Social Sciences at Nova Southeastern University, on October 15, 2006, organized an event that featured Jeffrey Mapendere at the school's main campus in Fort Lauderdale, Florida. Mr. Mapendere is a former guerilla fighter and national army officer who has retired from the military and become a peace activist. He is Assistant Director of the Conflict Resolution Program at The Carter Center and has worked on Carter Center projects in eleven countries, including eight African nations. Mr. Mapendere is part of the Africa Working Group on Peace and Conflict. In the presentation, Dean Honggang Yang and Mr. Mapendere emphasized that studies of peacemaking often focus on the mechanics of actual negotiations, overlooking the pre-negotiation stage which can be critical when enabling conflict cessation and transformation. In ethno-political conflicts involving governments and rebel groups, the process of establishing contact is essential to engendering a peace process, yet it can be very delicate and even risky. In many countries people have died trying to initiate contact with rebel groups, and as a result, peace processes have been aborted. There is no known model for this vital task, yet dangerous components of peacemaking were examined in the presentation entitled "*Reaching out to Rebels: The First Brick in Peace Process Construction.*" The presentation shared personal

and practical experiences on this aspect of peace processes. So, negotiation strategies can be used in many arenas. As an effective cross-cultural negotiator, "The choice is yours; you hold the tiller; you can steer the course; you choose in the direction of where you want to be - today, tomorrow, or in a distant time to come" said W. Clement Stone, businessperson and author,

### ***Summary***

It is the duty of twenty-first century negotiators to build winning strategies and tactics in international business through preparation, bargaining, and effective implementation. This can be accomplished by developing flexible negotiation plans, and maintaining strategic business relationships. Negotiation is an important part of our daily lives and survival. Negotiation is about life and life is about negotiation (Robinson, 1996).

This chapter has discussed the basics of negotiation. The scope of negotiations as it applies to the twenty-first century manager was discussed along with the relevant theories, concepts and processes. The chapter further presented various cross-cultural factors that can be an important variable in the success or failure of negotiations.

# CHAPTER 9

## Success in Negotiations

Cultures are likely to greatly influence negotiations, because culture, according to Cellich and Jain (2004), “includes all learned behavior and values that are transmitted through shared experience to an individual living within a society (p. 24). Furthermore, the authors explain how Edward Hall stated in *Beyond Culture* (1977) that three characteristics must exist in order to form a culture: it is learned, it is interrelated, and it is shared (p. 24). When looking at history, as an example, one can see how culture is learned because it evolves from one generation to the next. As stated by experts, “Japan’s culture and traditions go back thousands of years” and Japan’s “distinct model of hierarchy, honor and etiquette...is still reflected in many...business practices today” (Gorrill, 2004, para. 1). The Japanese culture is interrelated. For example, a manager within a company holds prestige over his or her subordinates while in the workplace. This status also extends into the Japanese social arena, where one still upholds the respect for the manager. Also, this culture is upheld by most of its members; implying Hall’s third characteristic that culture is shared.

Success in cross-cultural negotiations requires skill and practice to hone one’s thinking “muscles” and skills. In their 2007 AMACOM book entitled *Black Belt Negotiating*, authors Michael Soon Lee and Sensei Grant Tabuchi state that experienced martial artists know what they want when they go into an arena and they know how to achieve their goals as well. This book focuses on the value of proper preparation and appropriate planning. They link negotiation to the techniques of martial artists and provide the following suggestions to negotiators:

- *Do not fear and do not be scared of the blow.* Experienced martial artists are not afraid of being hit and are prepared to take punches. Once one is over the fear of the bargaining challenge, then, the battle is almost successfully over.
- *Identify the key striking points.* Experienced negotiators can weaken their counterpart’s position by identifying things that are most important to them and using this information appropriately in the negotiation process.
- *Read your opponent effectively and anticipate their next move.* Anticipate what your counterpart’s next move might be and prepare a proactive response to either accept the offer or make a relevant counteroffer.

***Summary***

Culture and negotiations go hand and hand. Culture is a strong influence on negotiations and each party's communication. This chapter presented the role of culture in cross-border negotiations and the challenges that managers and expatriates face when doing business in foreign countries. The negotiator or expatriate must reflect upon the advantages and disadvantages of making the first offer, opening low or high, and making concessions to get the best deal for his/her organization. The negotiator must also understand his/her negotiation style and use the appropriate approach with his/her counterparts.

# CHAPTER 10

## **Negotiation Model and Steps**

It is commonly assumed that treating others the way one wants to be treated is sufficient for healthy interpersonal relationships, and perhaps this is true to some extent. When it comes to negotiations and different cultural practices, the “Golden Rule” may not always apply in each case and, thus, some have resorted to adopting the “Platinum Rule” in their workplace. The Platinum Rule states that one should treat others the way they want to be treated. In other words, negotiators must also study and understand their counterpart’s negotiation styles as well. Today’s diverse situations and cultures require flexibility in using whatever is relevant for the person, culture and time. In any case, negotiators must plan and strategize based on a model or a standardized process to effectively prepare for a win-win negotiation process. The chapter expands on a four-step model for negotiations which includes initiating or pre-planning, negotiating, closing, and maintaining the relationship or renegotiating if necessary.

### **Negotiations Process and Steps**

Regardless of the process, steps, or model used, negotiators should always open the negotiation by stressing mutual benefits to all parties involved, being clear and positive, implying flexibility, creating interest in the dialogue, demonstrating confidence and trust, and promoting goodwill. These are the imperatives of successful negotiations. Furthermore, it is best to focus on interests, not demands; keep in mind that demands are what you want and interests are why you want them. Demand tends to be somewhat confrontational and it often slows down the negotiation process. Also, create new options for joint gain by focusing on each party’s interests that allow for new ideas to come forth. Through brainstorming and idea generation, you may discover that perhaps there is a new solution or alternative to resolve the issue that is satisfactory to all parties. Overall, the bottom-line is to focus on what is fair for each party; keep in mind that emphasizing fairness can allow and encourage both parties to effectively negotiate and eventually agree on a satisfactory solution.

While there can be many processes to a negotiation model, it is best to simplify all the steps into as few as possible so that it can be easily remembered and practiced. For the purposes of a negotiation model, the main steps to a negotiation can

be simplified under four categories which are: (1)-Initiating or pre-planning; (2)-Negotiating; (3)-Closing; and (4)-Maintaining the relationship and renegotiating if necessary. Figure 10.1 presents the model in a visual format. As can be seen from the model, an effective negotiation model provides a process along with some general steps as a guide, and focuses on the future by maintaining a good relationship with all parties involved. An effective model emphasizes a win-win objective with a focus on the creation of a long-term relationship, trust and interdependency.

### **Summary**

Negotiation is a necessity of life and a standardized process can easily be implemented by managers and expatriates when negotiating with one or more parties. This chapter offered a simple model that managers, expatriates and global negotiators can use to begin planning for negotiations, negotiating and closing negotiations. Understanding a negotiation model or knowing a few of the steps to effective negotiation is just knowledge, but using this knowledge effectively by gaining personal experience is what creates win-win results for the negotiators and their organizations. Negotiation is both an art and a science. Just like soccer or various forms of martial arts, one cannot become a skilled player without actual practice and the application of various skills that can be gained only through personal involvement. To get some experience with negotiations and “taste” its challenges, it is recommended that managers, expatriates and entrepreneurs attend seminars and workshops that can provide them with practical discussions and simulation opportunities for negotiations. Workshops on negotiations can be an excellent means of gaining practical tactics and skills for effective negotiation planning and execution.

According to Vince Daniels, Executive Director of the Hudson Institute for Executive Education at the H. Wayne Huizenga School of Business and Entrepreneurship, “effective negotiating is an art and a science.” He is also the author of *The Global Chameleon: How to Excel in International Sales*. Daniels goes on to say that “We are all involved in negotiations on a regular basis, whether something as simple as trying to get a better price or negotiating a major contract. Although there may be a great difference in scale of the negotiation, the principles of negotiation always apply.” Daniels offers a workshop on negotiations and this program takes participants through what he calls the twelve principles of negotiating as well as detailing tactics used in the negotiating process. Utilizing the principles, managers can develop a negotiating strategy which they can apply to future negotiations in order to win more than they have in past negotiation deals. Daniels claims that tactics are an important part of the negotiating strategy and all managers should learn a number of good negotiating techniques that they can employ in different situations. Furthermore, managers should also learn how to identify and defend against these tactics when they are used by the other party. While a win-win solution is usually the objective of a negotiation, it is always nice to be the party who wins a little more. Topics covered in Vince Daniels’ workshop entitled “*Negotiating for Business*,” include:

1. Planning for win-win negotiation, win-win or win-lose

2. The art of mutual agreement - recognizing and creating opportunities for mutual gain
3. The eight principles of negotiation - how negotiations are structured
4. Power in the negotiation - yours and the other participants
5. Third parties in the negotiation process - dealing with intermediaries
6. The power of information - how to use your knowledge effectively
7. Timing in negotiations - using time to your advantage
8. Questions lead to answers in negotiations - effective questioning techniques
9. Strategies for the negotiation
10. Starting the negotiation
11. Handling yourself
12. Moving ahead
13. Making concessions
14. Your opponent
15. Tactics for the negotiation - and handling the tactics of the other parties.

Managers and entrepreneurs wanting to enhance their negotiation skills should attend such workshops that are offered by experts who are currently in the field. Attending these workshops, which serve as a laboratory for experimentation, can provide negotiators, managers and expatriates hands-on experience that they will be able to use immediately with their colleagues, bosses, and counterparts.

# CHAPTER 11

## Negotiation, Diversity and Communication

Special skills, methods and techniques are at times necessary and required to close a negotiation. Each negotiator has to use his or her judgment for the negotiation to be successful. A wide range of negotiation methods exist in the business world, but it is important for negotiators to be aware of the relationship between the parties, the background, the cultural environment, and other relevant information that will help the negotiator achieve a successful closing. The common denominator in almost all successful negotiations in a culturally-diverse workplace tends to be communication and effective listening skills. This chapter briefly highlights the importance of effective communication. The chapter also discusses cyberspace negotiation opportunities and challenges as well as the pros and cons of e-negotiations.

### *Summary*

Global communication, both face-to-face and e-negotiations can be a complicated subject. Adding negotiation and cultural diversity to the scene can often create even more complexities. However, global negotiation across cultures can be mastered. It is vitally important to be aware of the obstacles of global negotiation and the importance of nonverbal communication. Nevertheless, the most significant way to improve global negotiations is through active listening, which consist of comprehending, analyzing, asking questions, rephrasing, and role reversal. By following the guidelines to active listening, many of the other challenges will often fall into place. The negotiator will automatically avoid the pitfalls of perceptual bias, and forget about the differences associated with nonverbal communication. The best advice can be stated by an Argentinean proverb, “Who speaks, sows; who listens, reaps.” Besides communication skills, negotiators can use e-negotiation platforms as a tool to prepare and progress in their deal-making and relationship building endeavors.

# CHAPTER 12

## **Differences in Saudi Arabia, Japan, Germany, China, and Brazil**

Saudi Arabia, Japan, Germany, China, and Brazil are countries that will be discussed in terms of their cultural and negotiation differences and similarities, including elements that impact global managers who do business with organizations in these nations. Factors such as demography, lifestyle, language, gestures, etiquette, and so forth are discussed in order to illustrate how business negotiations take place within both countries. These diverse countries are then compared and contrasted in terms of their ways of conducting business. Cross-cultural elements and principles are presented as to how they suit each country's cultures.

### **Saudi Arabia: Demography, Government and Religion**

In an ever changing world, where monuments represent freedom, dinosaurs live, or simply where magical devices like cell phones boost economic activity, entrepreneurship provides not only an alternative to rough roads, but results in the happiness of people. Governments, policies and international multilateral systems represent a path of freedom among trade, where dinosaurs that live are countries that participate in trade talks and the magical devices used are not cell phones, but simply negotiations that create happiness for most countries. In a world where trade policies change faster than the climate, or where deadlines come and go like seasons, free trade is as large and intense as the sun. Free trade liberalization is a fairly new concept derived after the protectionist movement of the 1930s. Free trade liberalization complies with cross-cultural negotiations, which is a component of globalization that reminds nations of their responsibilities to one another in their universal relations. In most eastern cultures, religion has been the main vehicle towards the creation of a society and its political, economical and societal factors. However, the embracement of globalization has allowed countries such as Saudi Arabia and Japan to broaden their horizons and to integrate their business environments that have led to the success of their ventures. Despite their differences among religion, culture, and language, it is their similarities from their cross cultural management training and negotiation practices that have allowed both countries to set a middle ground, which has led to the prosperity of their countries and for their people.

Saudi Arabia is a country that has been given the gift of oil, from which wealth is derived. Yet it is the basis of religion that has led to the achievement of this country's success, as it is a modern country that has been created upon strict fundamental religious beliefs. Saudi Arabia is bordered by the Persian Gulf, the Red Sea and is north of Yemen. The development of this country has been based upon the religious influences that have been integrated within the political, social and workforce realms, specifically in relation to the international arena.

Saudi Arabia is a peninsula that is composed mostly of desert dry land, thus lacking in several natural resources. In present day, the country's total area of approximately two million kilometers allows for comfortable living space for its 26.5 million citizens (The World Factbook, 2006). About 90 % of the citizens are Arabs. The remaining 10% is composed mostly of Africans and/or Asians. They are known to be descendants of the Islamic settlers who have been coming into the country for several generations. Foreign guests that are not Muslim are not allowed to become citizens. Arabic is the official language of the country, but most foreign educated Saudis speak English.

In 1932, Abdul-Aziz al-Saud conquered and united the Arabian Peninsula, creating a country that he named after his family, Saudi Arabia. He proclaimed himself as the king, thus creating a country based on his beliefs. The king was married more than three hundred times, which led to a plethora of sons, who ruled as other successive kings. The structure of the government has not changed since the first king took the throne, as his legacy within the governance of the country still continues today. Saudi Arabia is an Islamic monarchy that is ruled by the House of Saud (al-Saud). There is no written constitution, although it is common to say that the Quran is the constitution of the country. The majority of the government officials are members of the family. The king of Saudi Arabia is also the prime minister. There is no elected government and the citizens have very little say in any political affairs (Country Studies: Saudi Arabia, 2005).

Saudi Arabia is a strict Islamic nation, where religion has never been permitted to change. Wahhabism is the official religion of the country, as it is a branch of the Sunni Islamic group. Almost 90% of the Saudi population belongs to this religion. The Arabs, specifically the Saudis believe in the Wahhabism, which is defined as "the sum of total knowledge" that is extracted from the Holy Quran (Tripp & North, 2003). Religion is the most important element in all aspects of life.

### *Summary*

With respect to cultural differences and how they should be handled, the most effective solution to date has involved taking the necessary steps to ensure that one understands another's culture and does what is necessary to prepare and deal with any complications that may arise from a cultural dissimilarity. Companies can use a cross-cultural training approach to educate employees on the variations between a host country's and home country's cultures, economic and political systems and ideologies. With this knowledge, the employees will be more prepared and better able to handle the initial culture shock. Companies operating internationally can also adopt more of a transnational management structure so they still have control over

operations, but these operations are more flexible and are strongly influenced by surrounding environments.

Although these regions share a number of similarities with respect to culture, there are key differences one should note prior to negotiations with a Japanese, Brazilian or Chinese. Most people would agree that once a negotiator has a clear understanding of the culture he/she is about to communicate with, then half of the problem is already solved. A negotiator may spend a great deal of time preparing for a business negotiation, but all that time and work may be jeopardized because of a simple cultural misunderstanding. It is best to acknowledge the significance of understanding cultural differences before you consider negotiating with someone from another culture. It indicates to your counterpart a certain level of respect you have for their culture simply because you invested time into trying to understand them.

Gert Hofstede originally created the five dimension model that categorizes countries and their societies in accordance with the five characteristics of his model. The five dimensions include: *individualism vs. collectivism*, which refers to the extent that people are able to stand on their own; *uncertainty avoidance*, reflects how societies are able to cope with problems through confrontation or avoidance; *power distance* is the distance that lies between a manager and his/her employee or a higher authority vs. someone lower; *masculinity/femininity* defines a society's traditional values that are placed on males and females; and *long vs. short term orientation* describes a culture's time horizon and time orientation, or the importance attached to the future versus the past and present (Gert Hofstede, 2006). Hofstede's model applies to both countries since they share similar traits such as high uncertainty avoidance and a large power distance. Both also believe in their masculine societies, however, Saudi Arabia is an individualistic masculine society as opposed to Japan, which is a collective masculine society. It is the analysis of this cultural dimensions model that helps explain the differences and similarities among both cultures, especially those that reflect in their business dealings. In present day, both countries have applied Hofstede's model in some form or another as a result of the steps taken towards their integration into globalization (Jackson & Tomioka, 2004). However, in return, they too believe that their foreign business counterparts also conduct cross-cultural management training from the components of this model, as it is the basis for understanding the differences and similarities that lay among cultures.

From the birth of globalization, the creation, expansion and enforcement of cross-cultural management practices has not only led to successful businesses and industries, but prosperous negotiations. This is evident as both Saudi Arabia and Japan have changed their business ways of conducting business in order to conform to the international business environment. The success of their business dealings lay mainly in their understanding of Hofstede's five dimensions model that has allowed them to recognize and comprehend their foreign counterparts' ways of business. By enforcing cross-cultural negotiation training among corporations, both countries have created awareness for their societies. The world continues to transform itself through the creation of new freedom representing monuments, where dinosaurs continue to expand and magical devices become more valuable than before. As the sun continues

to rise each day in its brilliant ways, the intensity among freedom in trade further enlarges and creates not only opportunity, but hope for many nations and its people.

# CHAPTER 13

## **Negotiation: Afghanistan, the United States and Brazil**

Headlines such as “Forces kill foreign hostages,” “Doubts grow over US Afghan strategy”, and “UN condemns murder of development worker,” represent information present in everyday news sources all over the world. These captions depict two significant facts. First, many western foreigners are present in Afghanistan, and second, there are many conflicts between the two people groups. The conflicts in Afghanistan are a result of several different cultures closely interacting due to the recent re-opening of Afghanistan to the world. Although diversity exists, there are also several important commonalities that all humans possess. These commonalities include the need for stability, safety, family, preservation of cultural and religious beliefs, and the right to good health. These common goals are what create the necessity for successful communication and negotiation across the countries around the world.

The first objective of this chapter is to discuss the strong cultural influences that are evident in both the U.S. and Afghanistan<sup>2</sup>. There will be a presentation of the two countries and how they conduct business with their peers of a similar culture. The second objective is to discuss how these cultural influences create differences and complexities in communication, negotiation, and ethical principles. The final objective is to give a detailed recommendation on how the two countries, although different in culture, can conduct successful business transactions.

### **Introduction to the Afghan and American Cultures**

September 11, 2001 marked the entering of a new era for both the United States and Afghanistan. The demise of the World Trade Center in New York City by hijackers has changed the way that Americans and some foreign countries interact. Of course, the country of Afghanistan has been caught in the middle of all these international events. Prior to 2001, the United States and Afghanistan have experienced somewhat noteworthy affairs as they partnered to fight the invasion of Russian forces in the 1980's; however, not to the extent of which the countries are now intertwined today to create peace in this world. September 11, 2001 has once

---

<sup>2</sup> Coauthored with Rachel Lagrande, Nova Southeastern University.

again opened the doors of the western world to Afghanistan and vice versa. Besides staff and workers from the United States, U.S. military personnel, organizational aid workers, non-governmental organizations, journalists, and volunteers are now flocking to Afghanistan in record numbers. With the increase of American foreigners, there is a substantial need for relevant research on the two diverse countries, specifically in the arena of communication and negotiation.

### **Summary**

The event that occurred on Sept, 11, 2001, has changed the way Americans view the world. More importantly, this date has also greatly influenced each U.S. citizen and Afghan's viewpoint of the world. Although on complete opposite ends of the cultural spectrum on many traits, these two countries have some major commonalities, in addition to the common traits that all humans possess. The mass influx of Americans to the country, whether they are military personnel, aid workers, or business people has caused these two countries to have close interaction. Both countries can gain from this interaction; however, it does not come without extreme obstacles. Both countries have strong cultural values and belief systems that are not easy to change; in order for progress to proceed on both parts, communication and negotiation must be mastered. One of the ways to accomplish this goal is through research, education and cultural sensitivity. The most significant way to improve global negotiations is through active listening, which consists of comprehending, analyzing, asking questions, rephrasing, and role reversal. By following the guidelines to active listening many of the other challenges will often fall into place. The negotiator will automatically avoid the pitfalls of perceptual bias, and forget about the differences associated with nonverbal communication. In conclusion it should be noted that, "By and large Afghans regard foreigners positively, they want development and progress, the quicker the better" (Personal Communication with Roberts, 2006).

"International business relations" is a complex task for any company or person involved. Subtle to drastic differences may exist between the respective cultures in which business is being conducted that may be a significant deterrent for successful business partnerships. Adequate preparation and research will ensure that differing business practices are recognized in order to avoid potential conflict that may arise from cultural, managerial, or organizational differences. Afghanistan, Brazil and the United States are three drastically different countries that could benefit from each other concerning joint business ventures. However if any country fails to recognize pivotal cultural differences, relationships may be undermined from the beginning.

# PART III – SKILLS AND EXPATRIATE TRAINING



# CHAPTER 14

## **Communication: Listening to Understand**

Communication takes place whether it is intended or not. Human beings have communicated for thousands of years and some major miscommunication experiences have been documented in books and cultural stories. Such experiences can teach human beings historical trends and their outcomes. The trends and outcomes will tend to show that most conflicts and challenges have been caused by misunderstandings and/or lack of effective communication to settle ideological or philosophical differences and disagreements around a table rather than battlefields. So, communication skills are extremely important for workforce diversity management in a cross-cultural and peaceful work environment.

Communication is the process of exchanging information in ways that ensure a mutual understanding of content and feelings; this includes being heard and understood. Effective communication can also be defined as the transfer of information from one person to other(s), without the meaning being changed. Often communication takes the forms of speaking and listening. While speaking is done for the purpose of being understood, listening is the real tool for understanding, learning and growing. Being a good listener sets you apart and helps you become a much better communicator while speaking. Have you ever had someone describe you as “a very good listener?” If so, it is a compliment that says quite a bit about you. Remember, people are like fruit; therefore, human beings are either green and growing (learning and thriving), or ripe and rotting (suffering mental stagnation and atrophy). Living a life of continuous learning pays a wealth of dividends if people listen and use their learning effectively.

Every person without a hearing disability has been listening to what is said since before he or she were born. Yet, it is one of the most difficult skills of human interaction. Listening is not natural which means that people have to work at it; and furthermore, not listening, like communication, is irreversible. What you don't hear is gone and you may not get the opportunity to listen again. So, as a professional, you should learn to communicate in a manner that builds trust, teamwork and consensus with others whom you directly and indirectly influence. Through effective communication, you can develop the requisite skills that result in effective two-way communication, which is critical to a participative management in today's diverse and global environment of business. Furthermore, as you read this chapter, try to examine some of the obstacles to effective global communication and learn to facilitate

supportive communication with diverse individuals and groups in a cross-cultural work environment.

***Summary***

Human beings have communicated for thousands of years; yet miscommunications seem to happen despite so much experience with it. Most people agree that communication skills are extremely important, especially for a culturally diverse workforce and their effective management. The chapter stated that effective communication is the process of exchanging information in ways that ensure a mutual understanding of content and feelings; this includes being heard and understood. This chapter described the various levels of listening, barriers to effective listening, and detailed the skill of empathic listening for effective communication and negotiation with one's family members, friends, as well as one's colleagues in a diverse workforce.

# CHAPTER 15

## Global Integration and Conflict Management

As the world becomes more diverse and the technological advancements move toward global standardization, issues regarding cultural convergence and divergence conflicts are likely to surface as various people groups will naturally want to retain their heritage and local languages. Effectively resolving such social and interpersonal conflicts are an important and mission-critical aspect of a global leader's responsibilities. Effective leaders, administrators and managers are always focused on the achievement of organizational goals with a balance of concern for people and production. As such, besides resolving conflicts, effective managers are performance-focused and developmental in their leadership and management styles as they are first and foremost concerned about the well-being, development and success of their employees. Besides appropriate management, cultural diversity training and employee development practices, managers work toward coaching employees in the "right" direction to meet acceptable professional and performance standards in the workplace. Furthermore, global leaders and administrators need to understand conflict and their own conflict management styles in order to develop an effective high-performing team in the department.

Culture plays an important role in every aspect of life, including national identity lessons and reflections through educational institutions. While each nation may desire to be part of the globalization forum, especially if it means enhancing the quality of life for their citizens and making their economy more competitive, yet they may also be concerned about retaining their cultures' unique identity. To reflect upon cultural identity, global integration and the importance of language, the next section provides a comprehensive view of global trends in tertiary education with a cultural flavor from the country of Saint Lucia.

### *Summary*

Managers who are performance-focused and developmental in their management styles characteristically are usually concerned about the well-being and success of their employees. Effective managers attempt to avoid negative conflict through effective leadership, coaching and interpersonal skills. Furthermore, these managers understand the realities of conflict in a diverse organization and adopt appropriate conflict management styles in order to develop an effective team in the

department. This chapter offered suggestions and steps for effectively dealing with conflict in a diverse work environment.

# CHAPTER 16

## Expatriate Training and Development

One of the most challenging tasks for any company operating internationally is to effectively and efficiently manage its expatriates. The statistics showing their efficiency are not encouraging. For example, the failure of U.S. expatriates (the percentage who return prematurely, without completing their assignment) is in the 20% – 40% range. Each failure could cost a U.S. firm a minimum of \$250,000 to over \$1,000,000 per expatriate and such costs can certainly be damaging to the bottom line profits. In Japan, the failure rate is less than 5% for their expatriates. One of the reasons for the difference is that Japanese expatriates receive far more cultural orientation training and language instruction than U.S. expatriates. Besides discussing the importance of training and employee development programs, this chapter discusses the challenges faced by managers and expatriates with regard to employee development and evaluation programs. It further discusses and reflects upon expatriate and repatriate training processes.

### **The Importance of Training and Development<sup>3</sup>**

The importance of having employees well trained within any business holds a large amount of weight. This element can vastly impact the success of a business, national or international. Without proper training by a company of their workforce, they are not putting an investment in the development of their employees. Within any business, employee retention is of great importance for the interests of the company. If employees feel as if they are an intricate part of the whole (company), they are liable to stay dedicated to their employer. Along with the employee retention, development of the individual's skills and status in the workforce ensures their tenure at the company and the satisfaction with their position.

Dowling and Welch (2005) explored the importance of training and development of expatriate employees as an imperative portion of business practices; according to them, "Training aims to improve employees' current work skills and behavior, whereas development aims to increase abilities" (p. 117). Dowling and Welch as well as other experts consistently emphasize the need and importance of

---

<sup>3</sup> Coauthored with Amanda C. Collins, Nova Southeastern University.

appropriate expatriate training, the role of the expatriate individual as a tool and mentor for other employees, and observe the responsibilities of the international human relations manager (IHRM) to prepare the individual for assignment. Types of training for an expatriate depends highly on the length of stay, category of assignment, location, and whether or not the expatriate is involved in a non-traditional setting. The most prominent of the tools used by IHRM to prepare a candidate for going abroad is the level of pre-departure training needed, though on most occasions companies do not have the needed information or are limited in the data and information they can provide for an expatriate. The proper information may be handled with language training, submersion (or a visit to the foreign country), and cultural awareness.

An interesting point to the expatriate's assignment is the result of their stature within the company upon their return. When they return, the company may use them as a tool to harbor more expertise or help in preparing other staff members. Yet, the most interesting part of an expatriate's journey may be the upper hand they are often given due to their exceeding experiences compared with other candidates.

The concept of using an expatriate's experiences abroad to develop them is seemingly the normal practices of an international business in recent years. In an article by Susan Heathfield, she discusses specific facets of employee training and development. Mainly the article speaks on the importance of a mentor system within a large company, with this the ease of more junior employees understanding the culture and language of the company (Heathfield, 2006). Such an experience may best be shared by an expatriate who has returned from their foreign assignment. Heathfield examines the ability of a coaching program for employees to fully reach their potential.

The coaching role should be accompanied by an HR professional of the company to help focus the new employee or future manager's role within the company. Heathfield goes on to relate "relationships and feedback" as key proponents of an individual employee's job education. This relationship and feedback portion of the coaching role might be best executed by someone with multiple experiences (such as an expatriate.) If the human resource personnel and the expatriate work closely, growing an employee within a company, much success could result with this coaching setting. Heathfield states, "don't expect to coach unless your credentials, reputation, and standing in the organization are impeccable" (2006).

A work environment of international business could use an expatriate position as an opportunity to develop the individual for a potential managerial or more senior position. The relationship building an expatriate must endure before they are successful in their host country would set them up for success on a national level. To ensure a candidate is appropriate for a possible managerial role an opportunity to hold a position abroad and mature within business on an international scale may be given. Once such an assignment has been completed that individual's worth may be heightened within the company. The importance of training and development of any employee, especially those of an expatriate, hold great weight not only for the employee to have progression within their career but allow for the company reputation to grow exponentially through their interactions and experience. Through

relevant and timely employee training and development programs, the company is communicating that they value their employees.

### ***Summary***

International managers and researchers must focus on the management of human resources on a global basis. An organization's strategy on globalization strongly affects the approach it takes to human resource management. Both employers and employees must be educated about the importance of training. The learning styles, job training and productivity, and the commitment of employers to job training are crucial to any efforts to shape the development of effective workforce. The business leaders must build up a training policy with the entire human resources asset of the organization that will both encourage managers to implement training programs and enhance and improve the skills of all employees. Training brings a change and managers often complain that people resist change. Firms also find that as vital skills and competencies within the workplace have become harder, it is necessary to tackle fundamental skills deficit through more comprehensive training, often before job-specific skills training can be successfully given.

The approach to human resource management in turn influences the implementation of the major management functions of recruitment and selection, development and training, performance evaluation, remuneration and benefits, and labor relations. Companies taking an ethnocentric approach attempt to impose their home country methods on their subsidiaries. The polycentric approach follows local practices. Finally, a geocentric approach develops practices for world-wide use, which should be an important goal for the global manager. The author recommends the geocentric approach for all international managers and leaders in today's workplace.

Effective managers and professionals work strategically to make sure all their employees are as successful as they would like to be based upon each employee's qualifications, goals, abilities, and competencies. This is the essence of employee development and effective cross-cultural management practices.

## PART IV – CASES





# CHAPTER 17

## CASES

## Author Biography

Dr. Bahaudin G. Mujtaba is an Associate Professor of Management, Human Resources and International Management. Bahaudin is also currently serving as the Chair of Management Department for undergraduate, masters and doctoral programs at Nova Southeastern University. In the years 2003-2005, he was the Director of Institutional Relations, Planning, and Accreditation for Nova Southeastern University at the H. Wayne Huizenga School of Business and Entrepreneurship in Fort Lauderdale, Florida. As a director, he was responsible for the planning of accreditation reviews for all of the Huizenga School's academic programs in all locations throughout United States of America and abroad. In administrator and faculty capacities since 1996 in academia, Bahaudin has prepared for and worked with the requirements of Southern Association of Colleges and Schools (SACS), International Assembly for Collegiate Business Education (IACBE), Association to Advance Collegiate Schools of Business (AACSB), North Central Association (NCA) / Higher Learning Commission (HLC), and the University Council of Jamaica (UCJ). Bahaudin was appointed as the Director of Business Department for Undergraduate Studies at the Farquhar Center of NSU in the year 2002. As an academic Director, he was responsible for the operation of Undergraduate Business Programs. Bahaudin has been a speaker for "The Caribbean Area Network for Quality Assurance in Tertiary Education" (CANQATE) in Jamaica, IACBE (USA), and the Association for Tertiary Institutions in the Bahamas (ATIB) in Nassau, Bahamas.

Bahaudin has worked with various firms in the areas of management, cross-cultural communication, customer value/service, and diversity training for over twenty years. Bahaudin is a certified Cultural Diversity trainer through the National Multi-Cultural Institute (NMCI) which is based out of Washington DC. He has been involved in diversity education and awareness since the late 1980's.

Bahaudin was born in Logar and raised in Kabul of Afghanistan. Bahaudin has been a guest speaker in the United States of America, Jamaica, St. Lucia, Brazil, the Bahamas, and Afghanistan at international conferences.

### Author Contact Information:

Dr. Bahaudin G. Mujtaba  
Nova Southeastern University  
3301 College Avenue.  
Fort Lauderdale, FL 33315-3025. United States of America.

Phone: (954) 262-5000 Or (800) 672-7223 / (800) 338-4723  
Email: mujtaba@sbe.nova.edu

### **You Are You & I am I**

I do my thing, and you do your thing.  
I am not in this world to live up to your expectations  
And you are not in this world to live up to mine.  
You are you and I am I,  
And if by chance we find each other,  
It's beautiful...

*Frederick S. Perls*

### **Cautious Man**

Once there was a very cautious man  
Who never loved, laughed or cried.

He never risked, he never lost  
He never won nor ever tried.

And one day when he passed away  
His insurance was denied.

For since he never really lived  
They claimed he never really died.

*(Unknown)*



Cross Cultural Training – Meaning and Importance. Cross-culture training is another way of managing diversity in an organisation. It has been the main method used for facilitating effective cross-cultural communication and interaction. Cross-cultural training was defined as a procedure or practice used to increase an individual’s ability to cope with cross-cultures and perform well in a new cultural environment. Zakaria said that cross-cultural training helps in transition from a home based management local mode to a new suitable cultural mode. Due to developed negotiation skills the deals can be finalized effectively or settlement can be made by negotiating on terms and conditions applicable to the deals. By taking cross cultural negotiation training, negotiators and sales personnel give themselves an advantage over competitors. There is an argument that proposes that culture is inconsequential to cross cultural negotiation. It maintains that as long as a proposal is financially attractive it will succeed. However, this is a naïve way of approaching international business. Cross cultural negotiations is about more than just how foreigners close deals. It involves looking at all factors that can influence the proceedings. By way of highlighting this, a few brief examples of topics covered in cross cultural negotiation training shall be offered. Eye Contact: In the US, UK and much of northern Europe, strong, direct eye contact conveys confidence and sincerity. Cross-cultural negotiation is challenging. It takes time, practice, and training. The best companies in the world have taken the time to engage with other cultures to find out the right way to communicate with their market. If you want your company to succeed on the international stage, always keep in mind that impact that cultural differences will have on your core competencies, marketing efforts, and negotiations. Categories: Blog – Employee Engagement. 432 views. Negotiation trainers The Negotiation Experts™ provides posts, Q&As, negotiation case studies, cartoons, deal analysis, and definitions on their website. The Negotiation Experts wish to support researchers, trainers, business people, and writers to better prepare, deepen their skills and tools to improve negotiated results. – Cross-Cultural Negotiations. In today’s globalized economy, you could be conducting business negotiations anywhere in the world, and it is crucial that you understand what constitutes normal, polite, acceptable business communication in an individual’s particular environment. The most experienced negotiator can lose out on a deal because of important, but extremely subtle, cultural differences between the key players. You could be well-trained in negotiation principles, highly-versed in business practices, know your business processes inside out, and be an experienced and successful negotiator with a proven track-record. But despite this, you could lose out on a deal because of a misunderstanding, or cause offence, because of a failure to discern a vital sign or gesture.