

# Getting Under the Skin of Cultural Nuances

Identifying Opportunities & Pitfalls of  
doing business across borders

Facilitated by: Samantha Foster

# objective



to understand key differences between cultures so that we can operate more effectively in an international environment

# overview

- What is Culture?
- Stereotypes
- Dimensions for Analysis
- Workshop
  - Cultural characteristics of AP (and more) countries
  - Implications when dealing with spa stakeholders

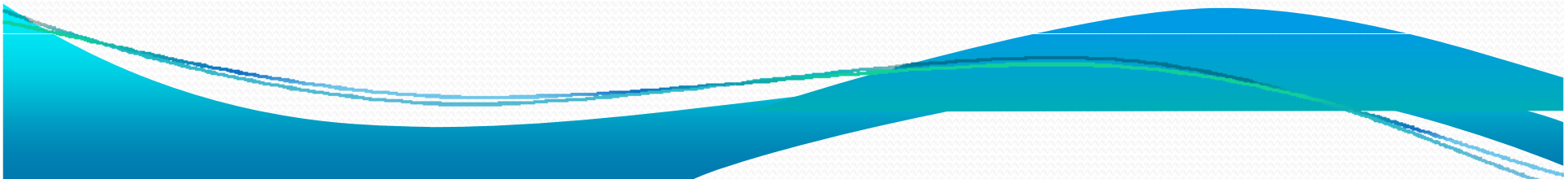
# Culture is...

- the set of spiritual, material, intellectual and emotional behaviors and beliefs that characterise a particular society or social group
- encompasses:
  - attitudes, feelings, beliefs, values and behaviour
  - lifestyles, communications, ways of living together, traditions
- Culture becomes the shared base of social action
- Culture is transmitted and reinforced by members of the group: passed on from one generation to another

# Cultural differences: generational



# Cultural differences: socio-economic



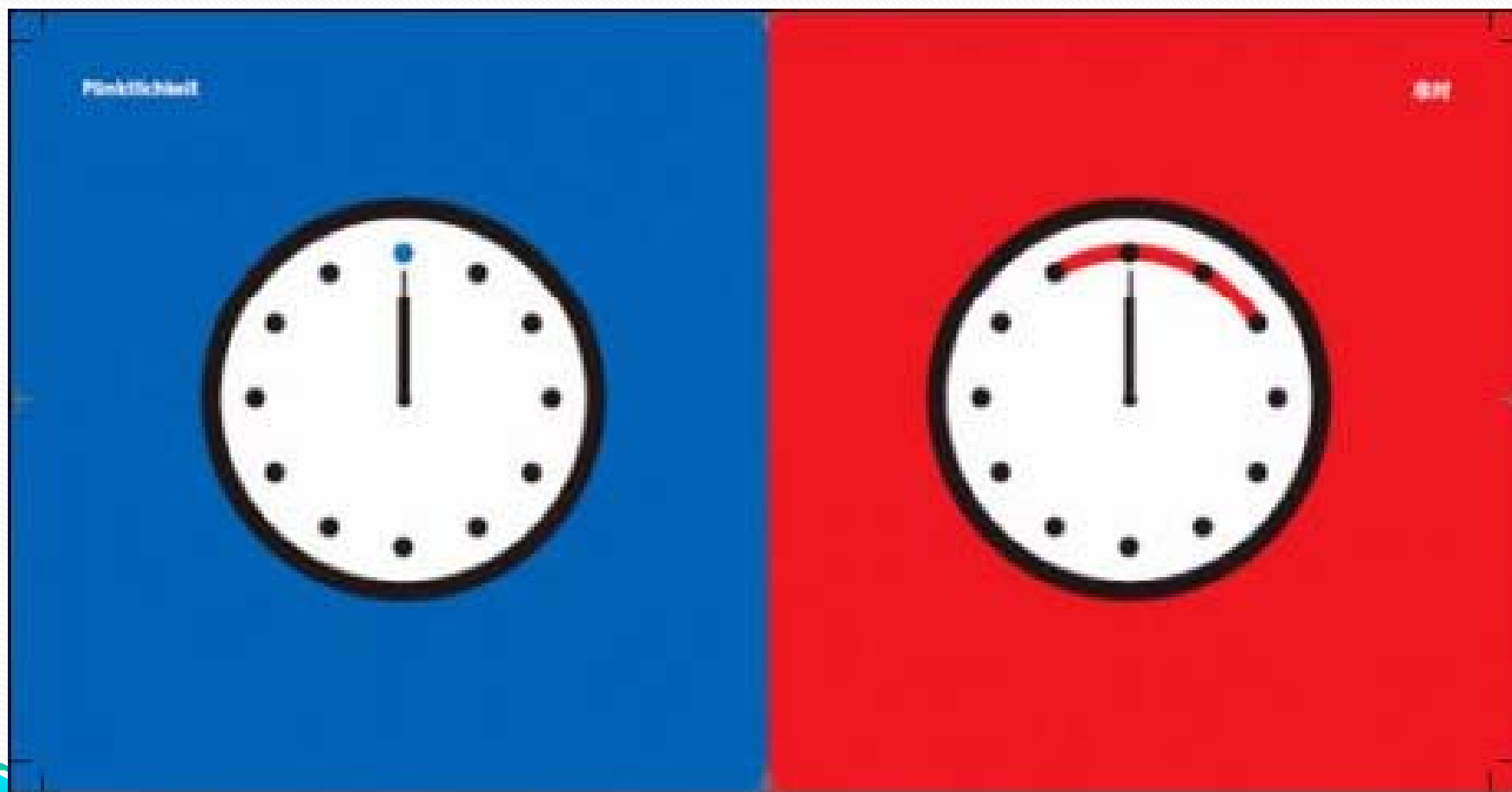
## Cultural differences: ethnic



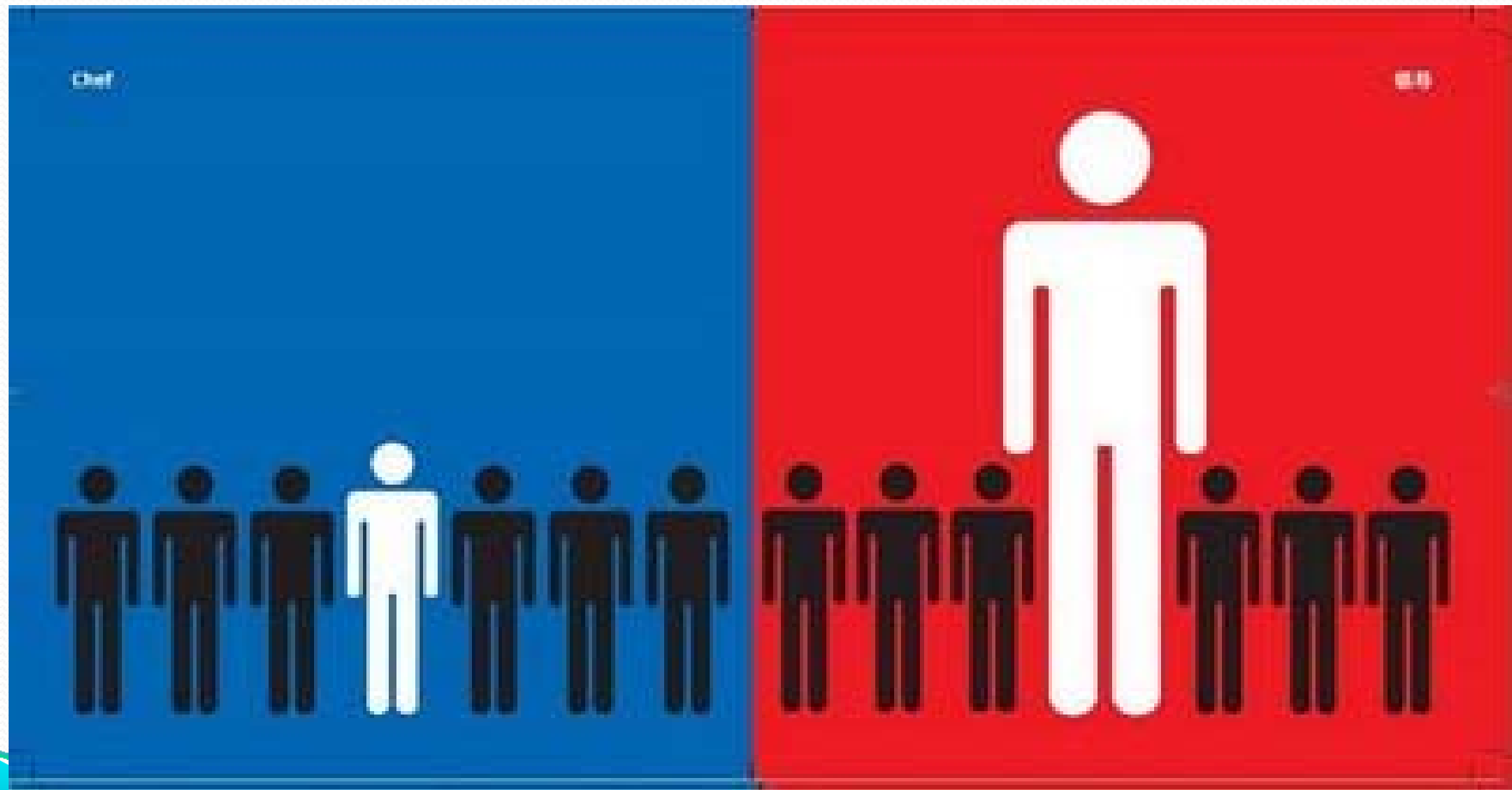
# East / West

IN PICTURES...

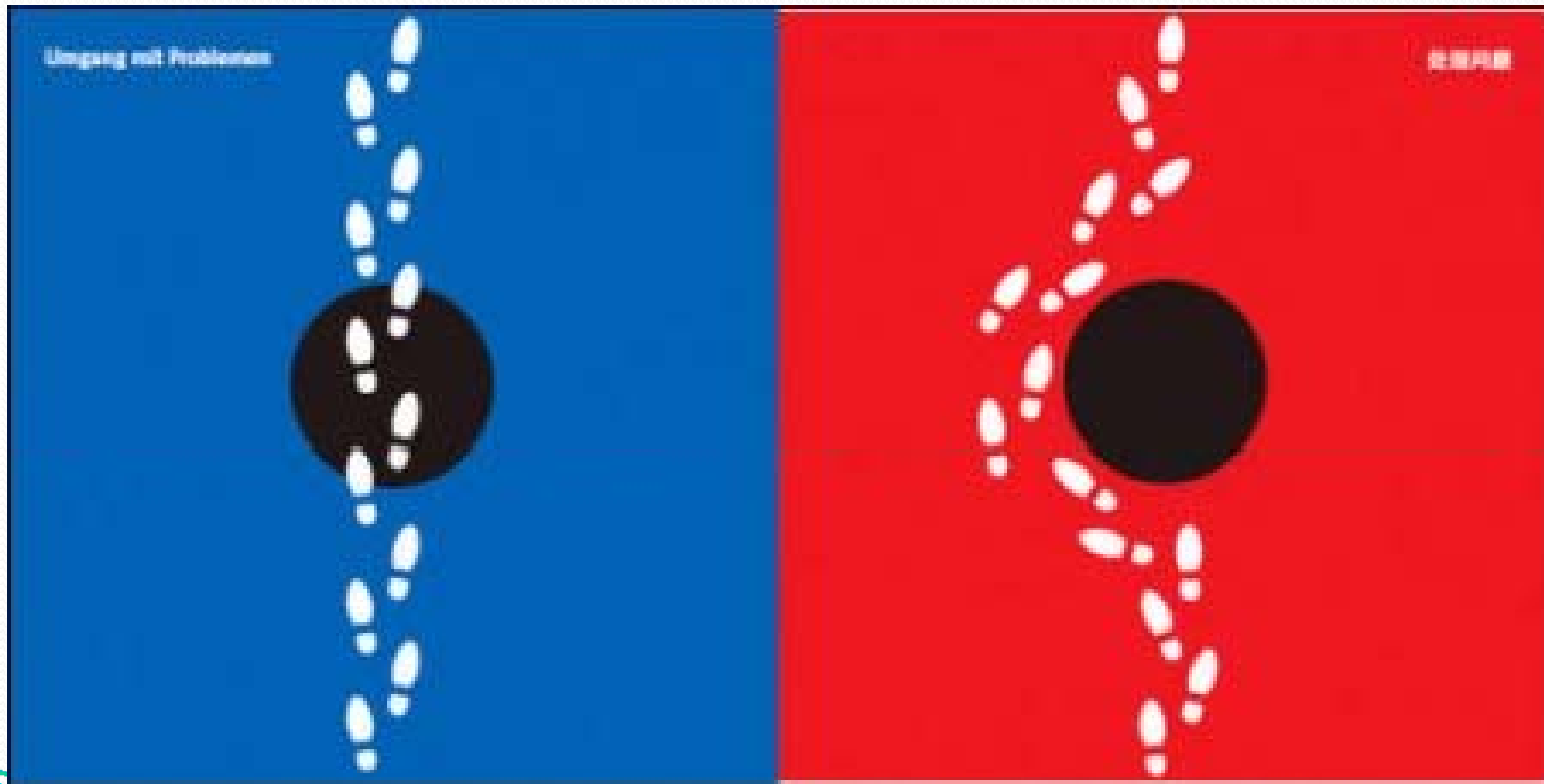
time



# the boss



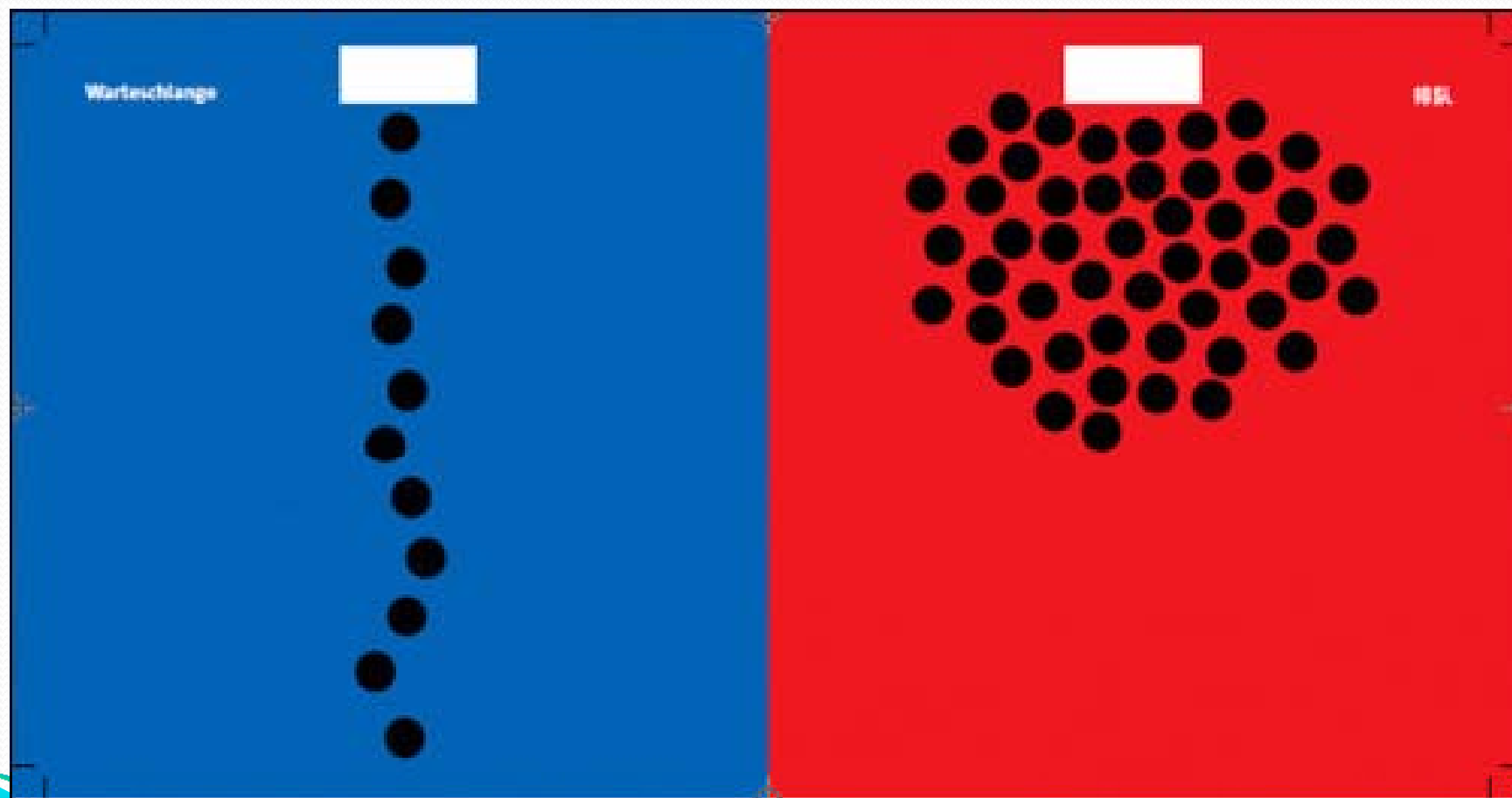
# problem solving



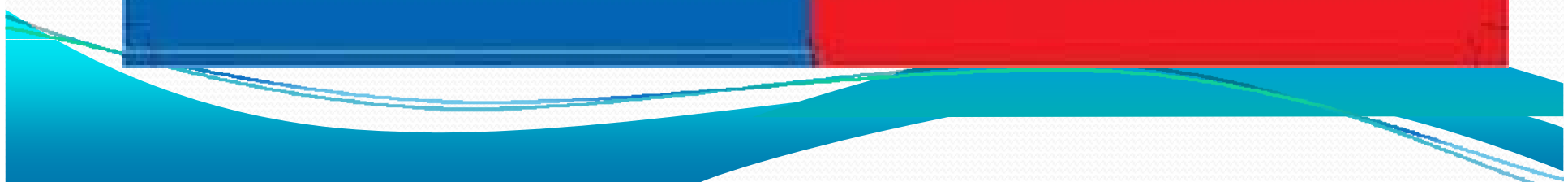
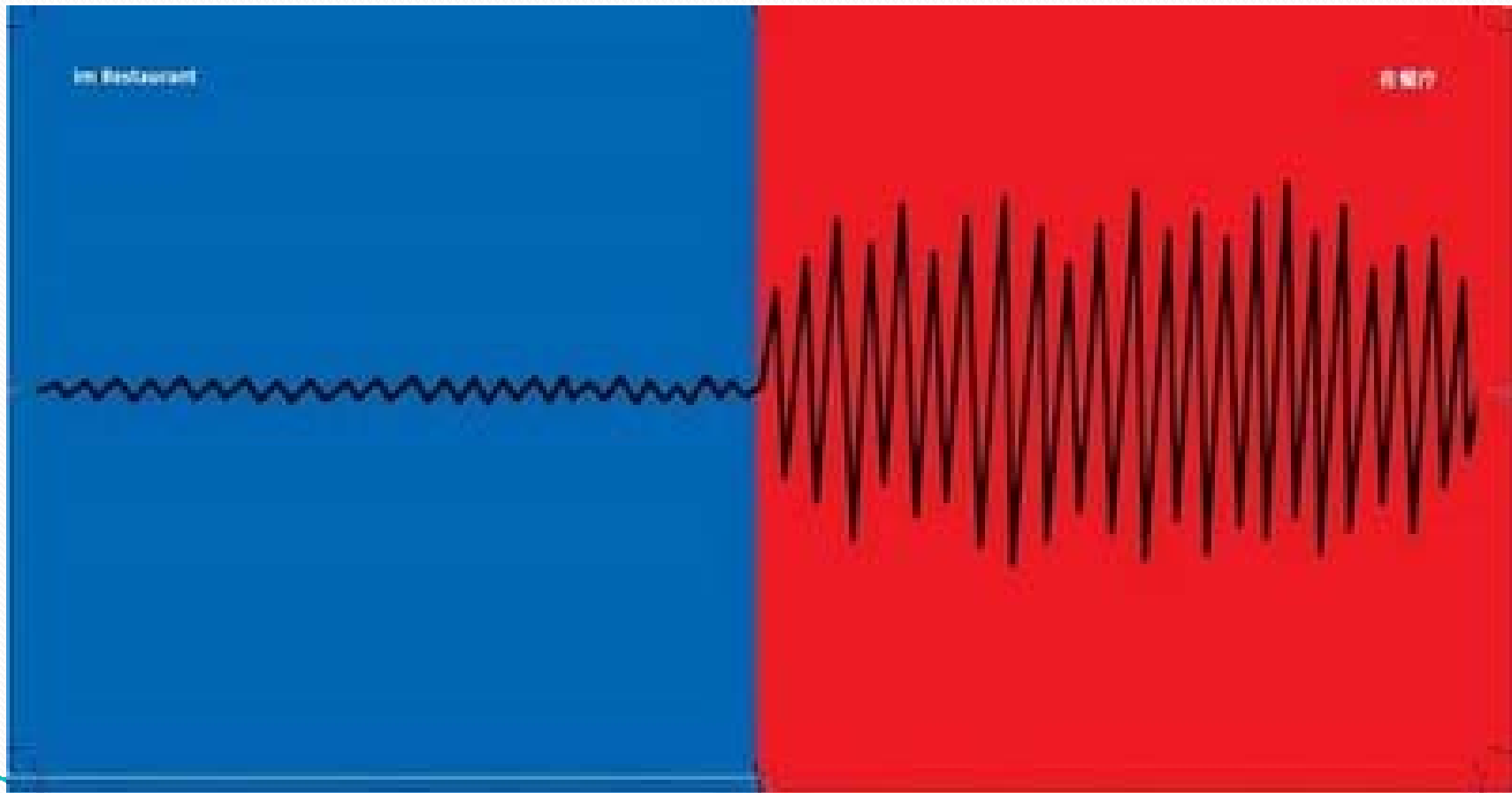
# transport



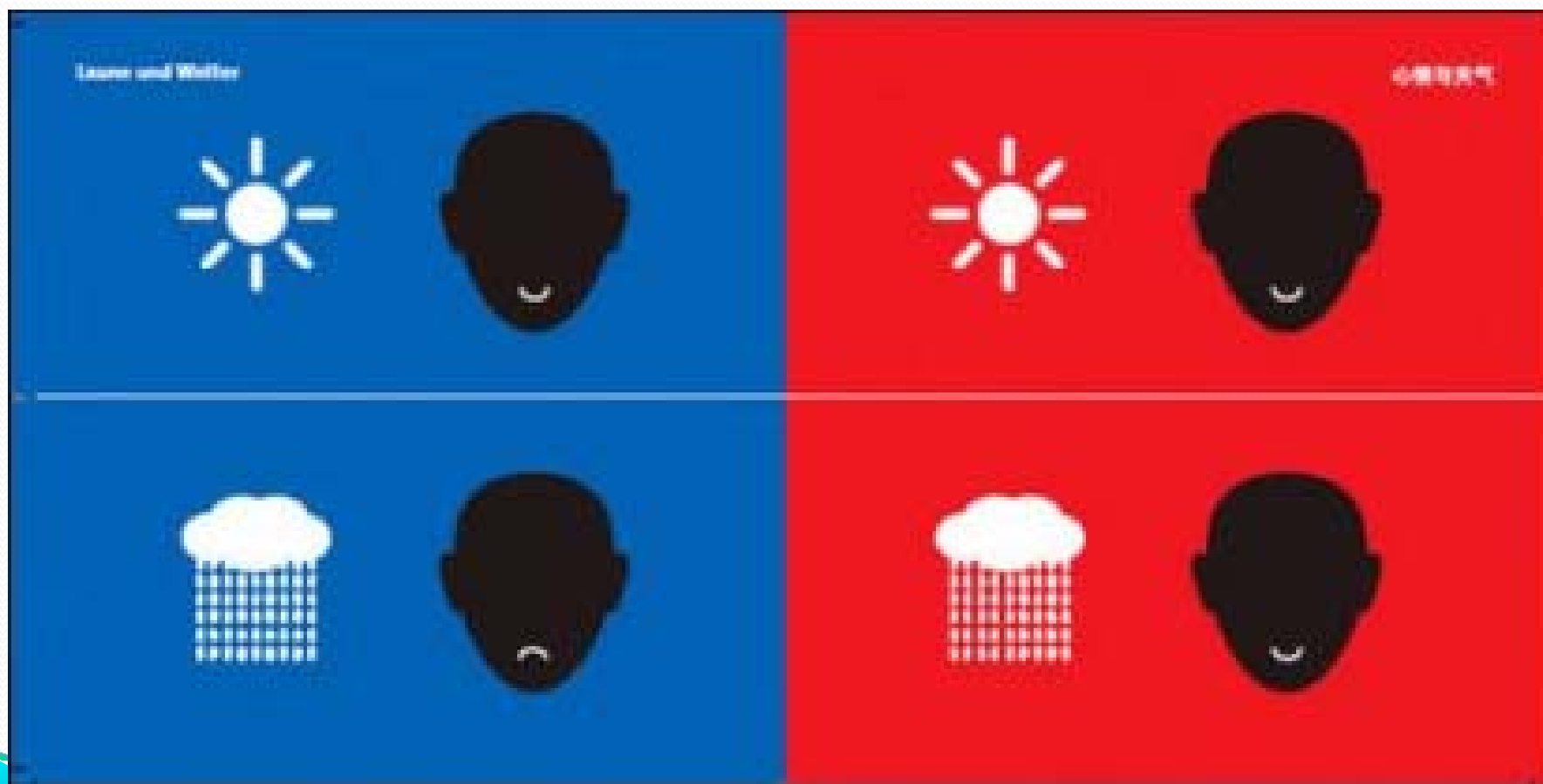
# queues



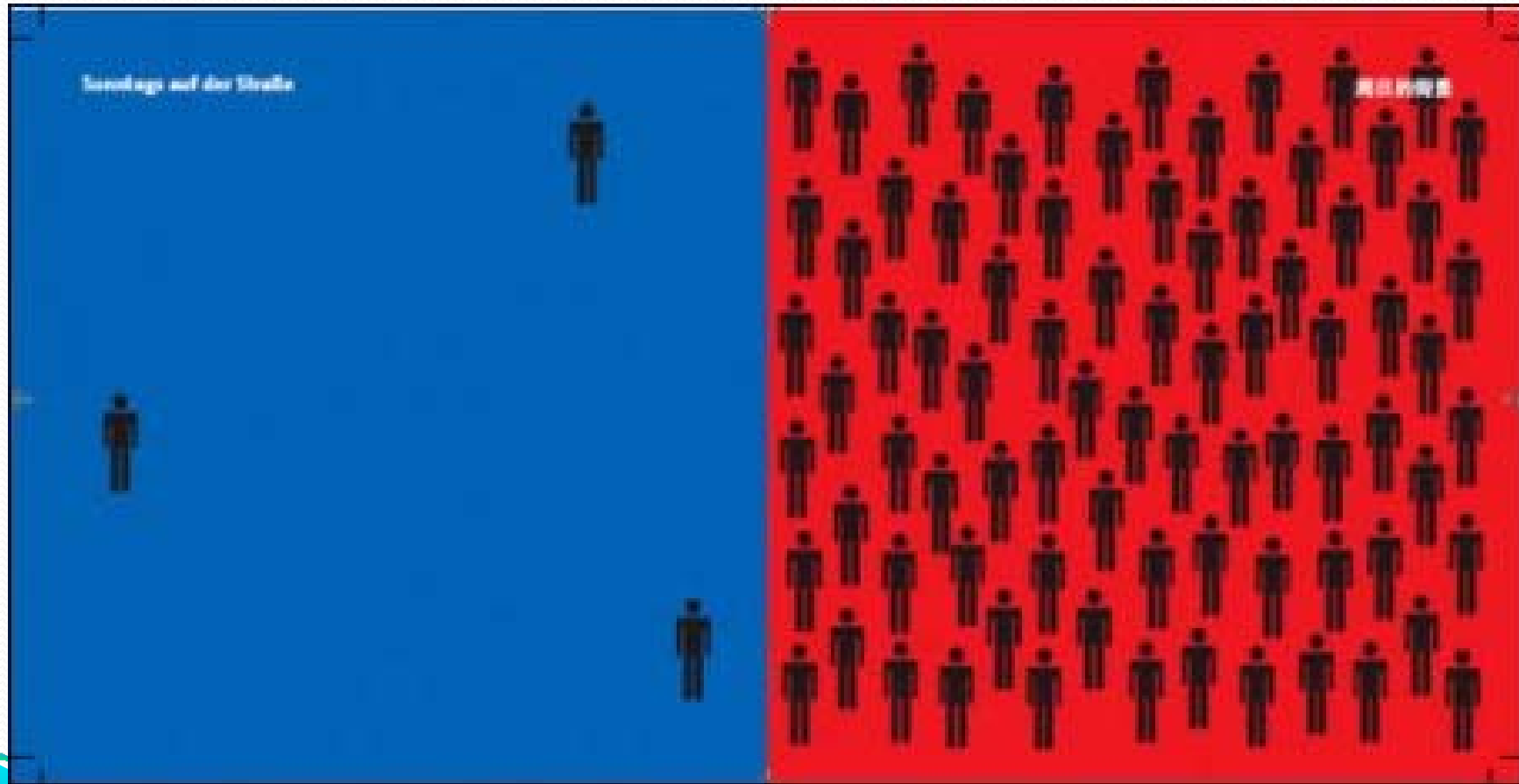
# noise in public places



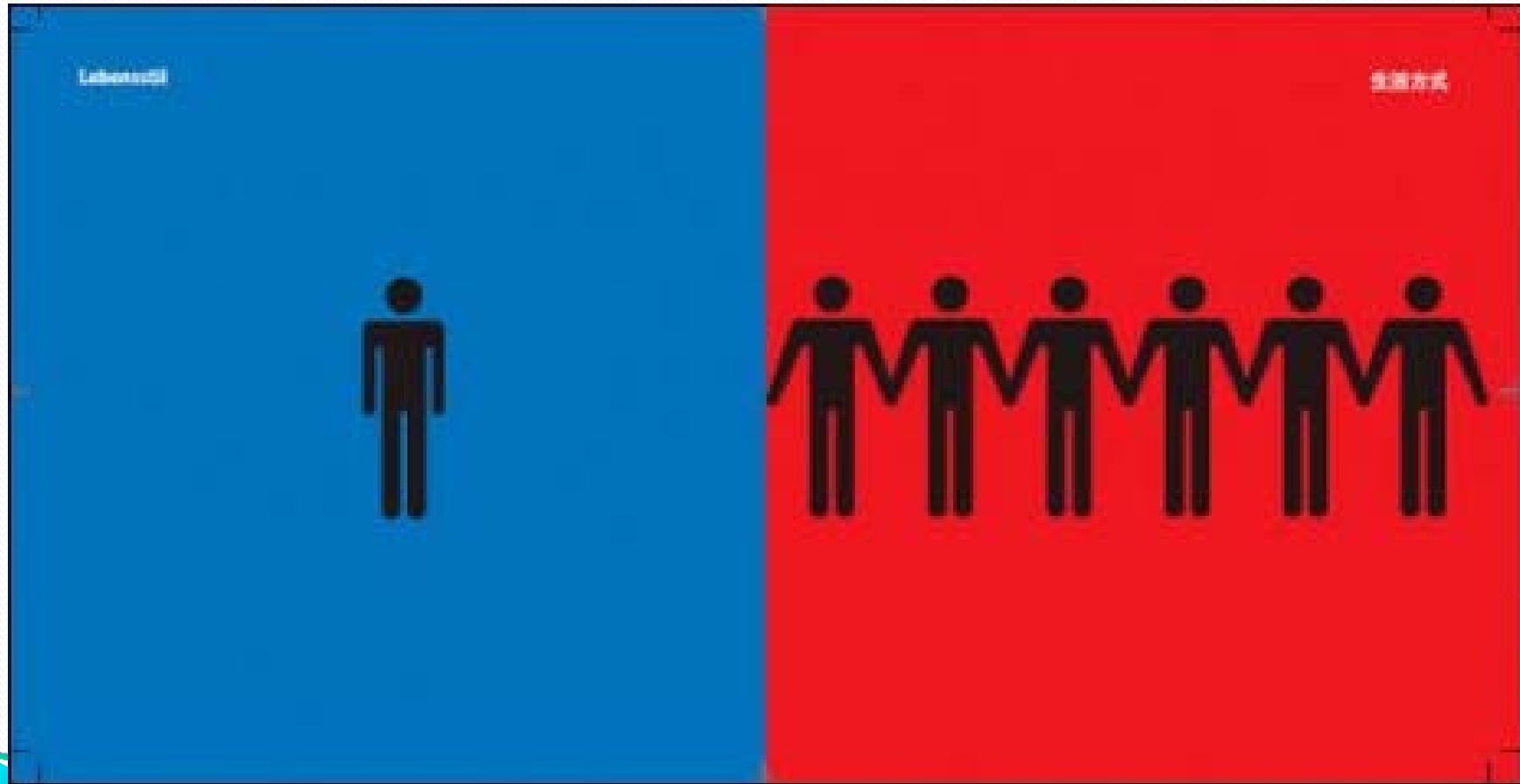
# weather



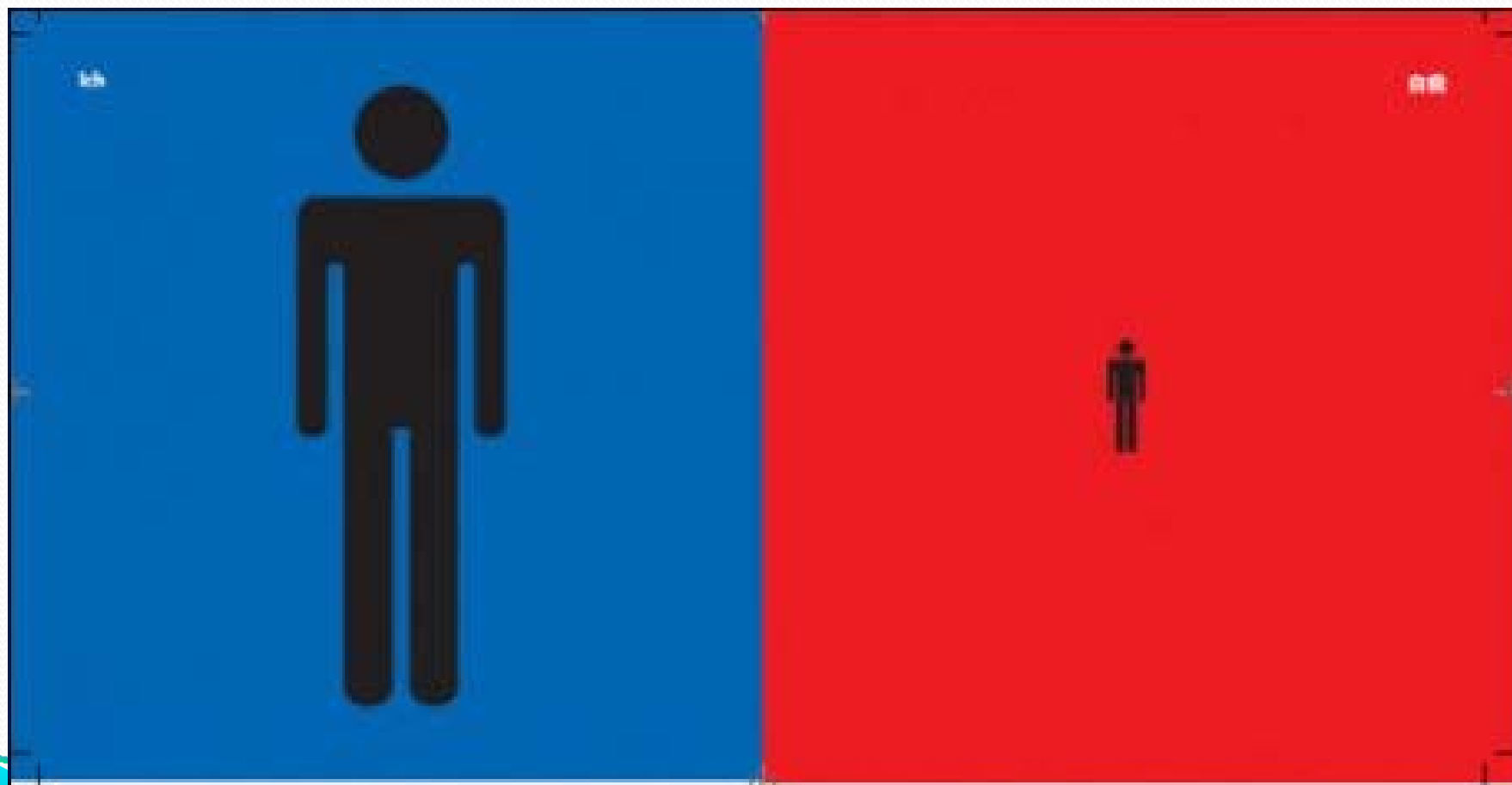
# Sunday on the street



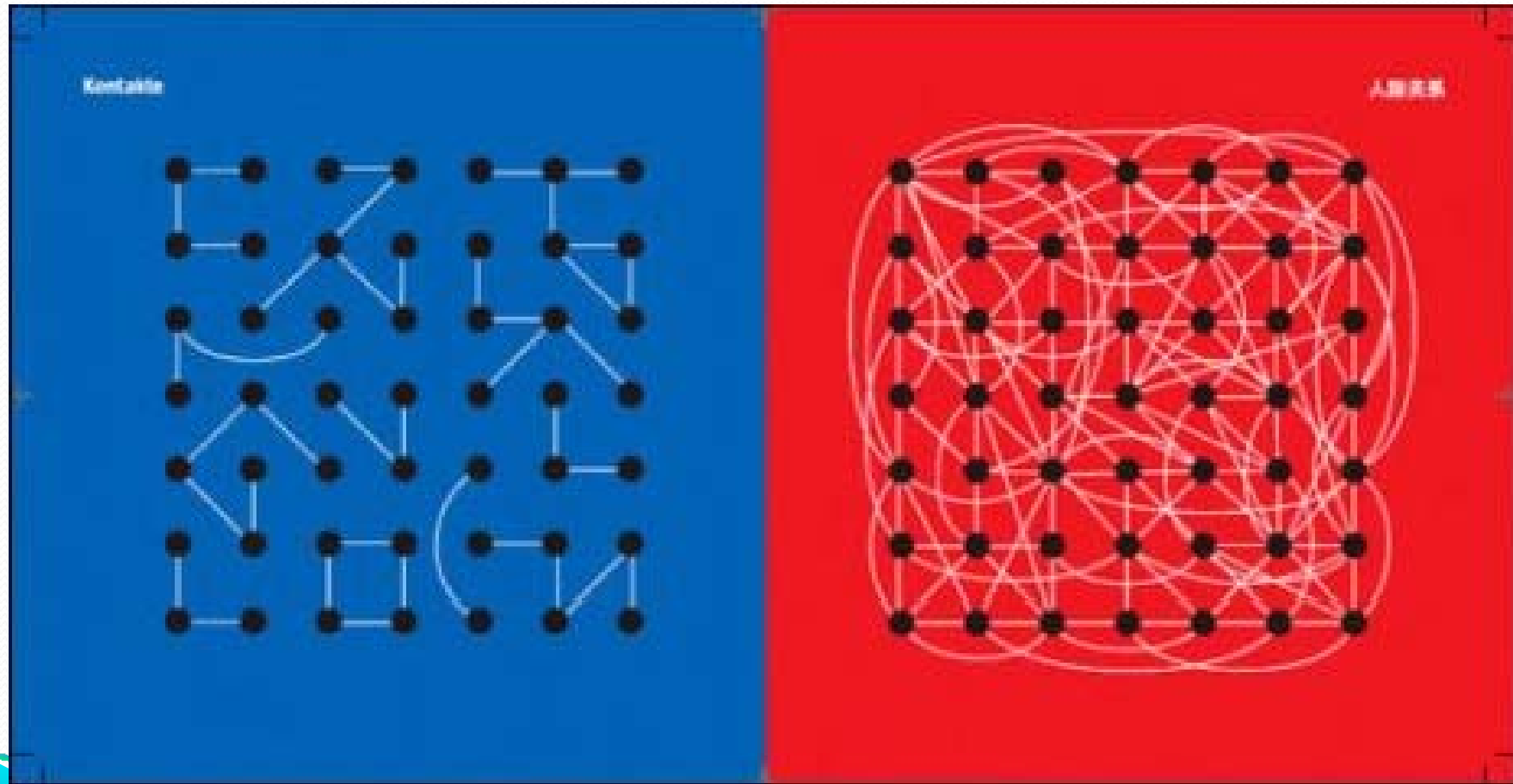
# way of life



# sense of self



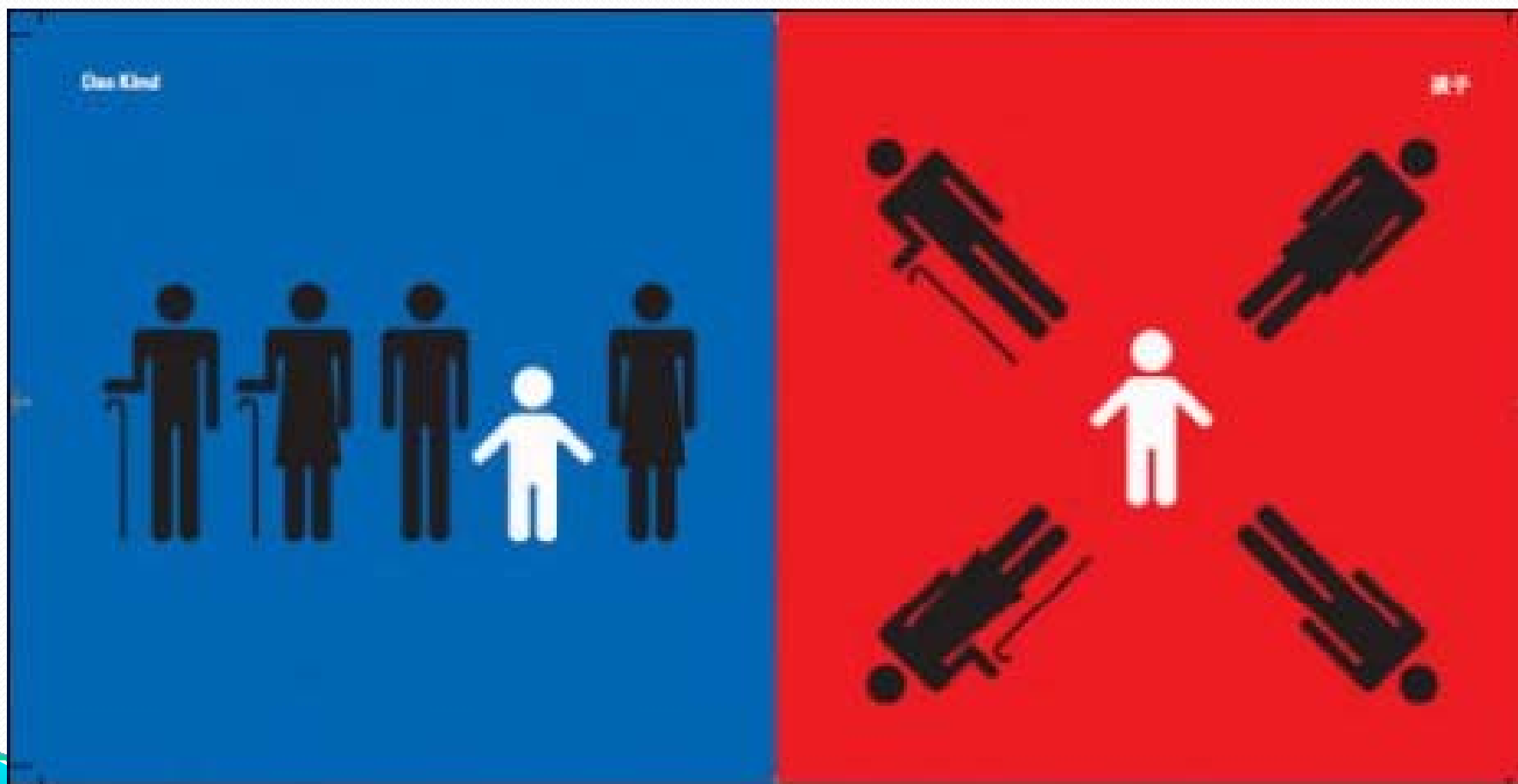
# Social Networking



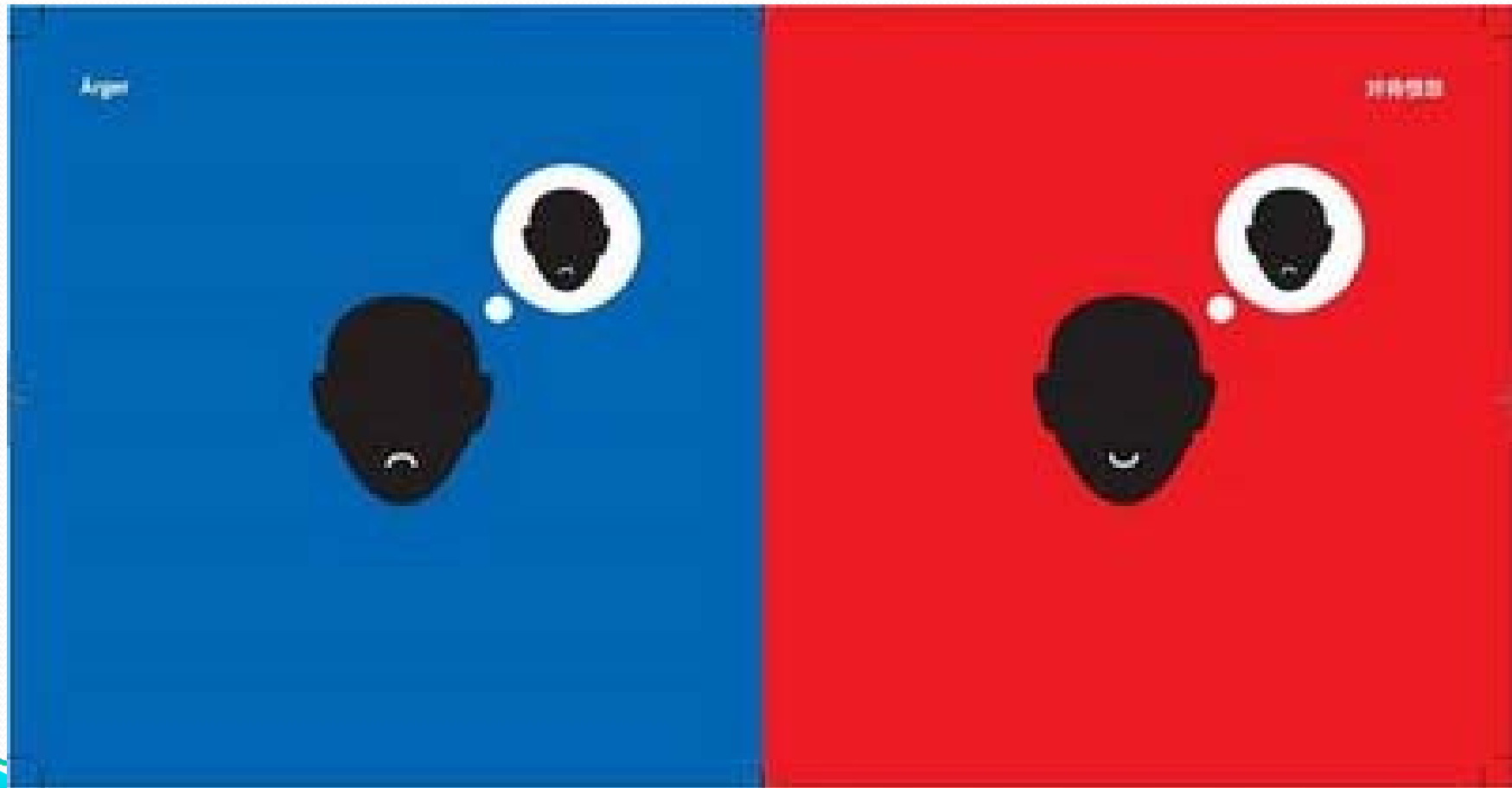
# the elderly



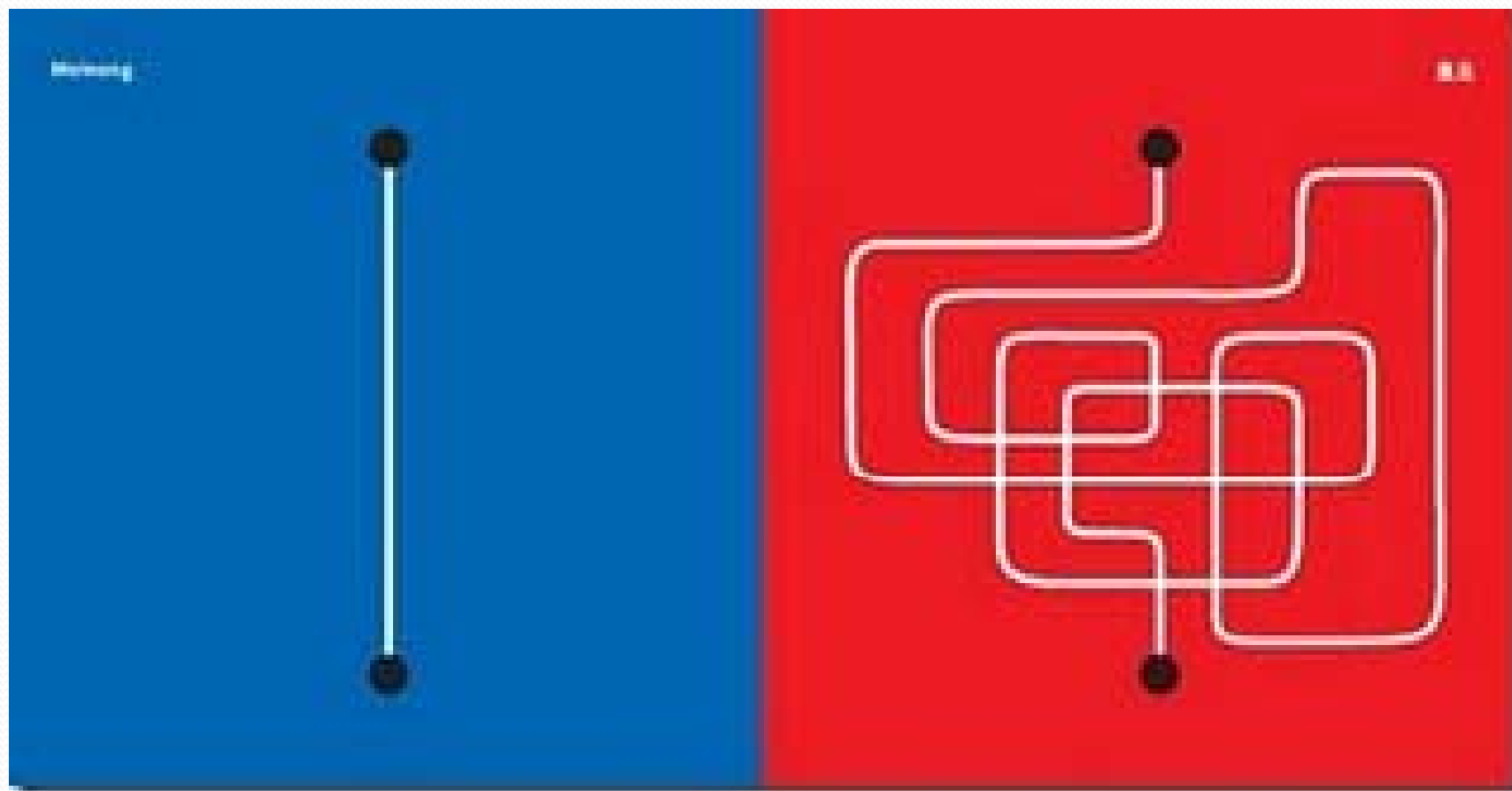
# family



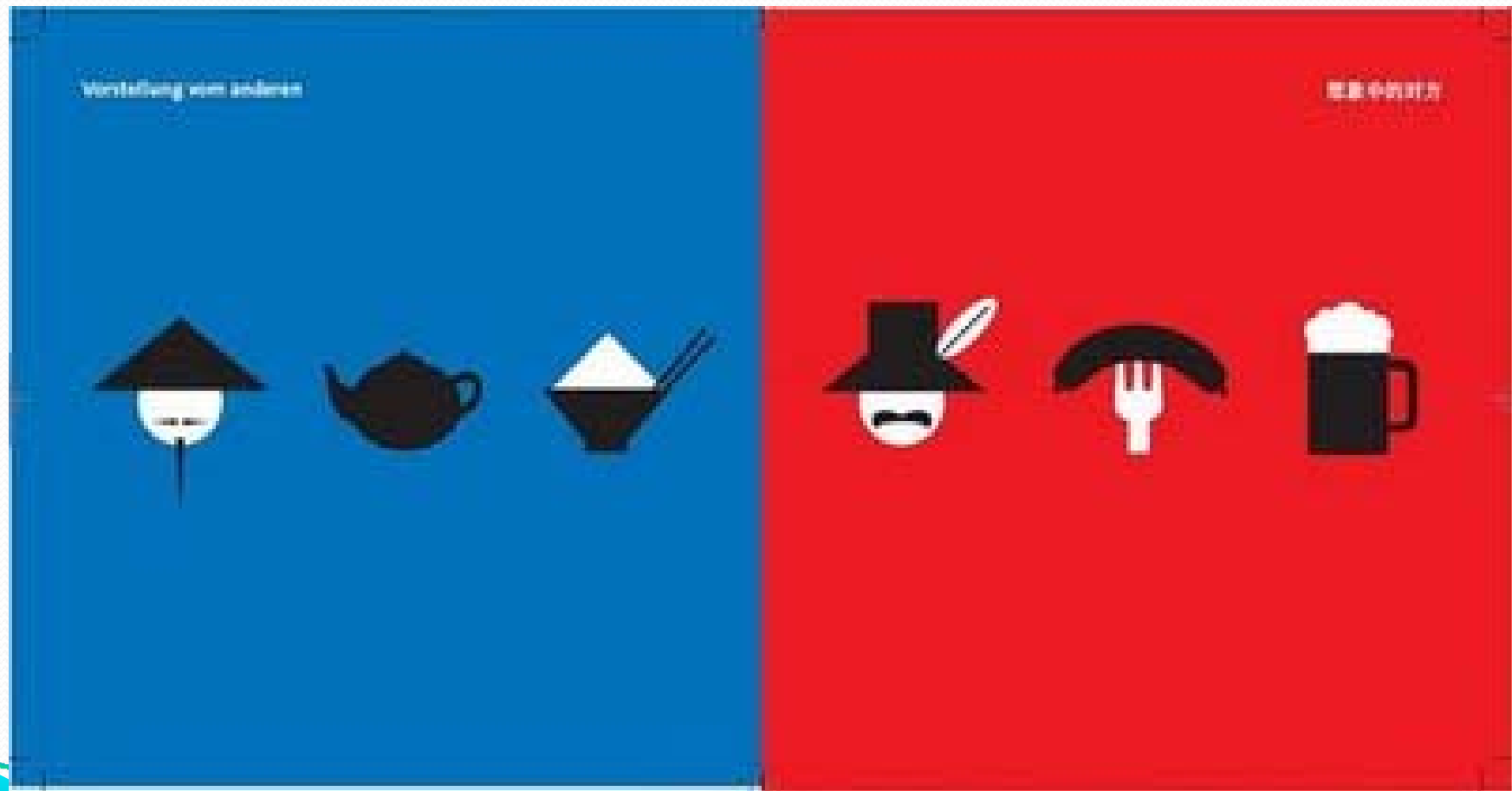
# expressing emotion



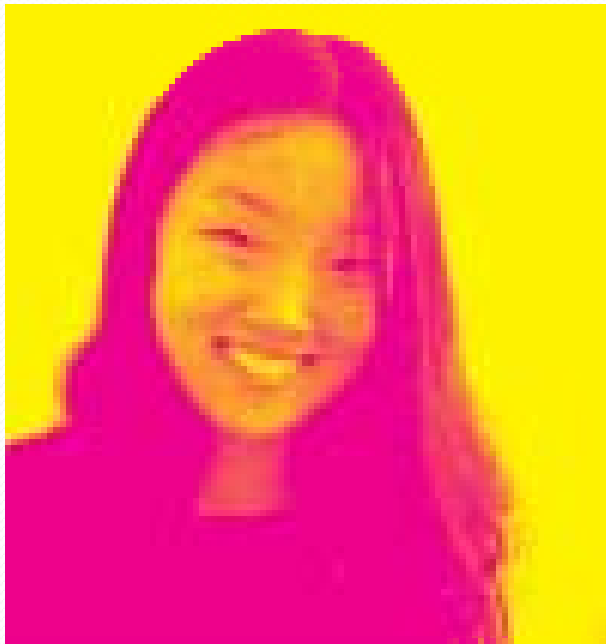
# communication



# view of each other



# the artist



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# Understanding Culture

DIMENSIONS FOR ANALYSIS

# a model for understanding

- Psychologist Dr Geert Hofstede developed a model of cultural dimensions that has become an internationally recognized standard.
- Thousands of interviews conducted within IBM in over 40 countries of the world.
- Identified 4 distinct cultural dimensions that served to distinguish one culture from another. Added a 5th dimension in 1990's in response to Asia's different (long term) view.
- Scale of roughly 0 to 100 for each dimension. The higher the score, the more that dimension is exhibited in society.

# Hofstede's Model of Cultural Differences:



# Power / Distance Index (PDI)

- Refers to the **degree of inequality** that exists – and is accepted – among people with and without power.
- **High PDI** indicates that society accepts an unequal distribution of power and people understand "their place" in the system.
  - Malaysia (104), Philippines (94), China/Arab (80)
- **Low PDI** means that power is shared and well dispersed. Society members view themselves as equals.
  - NZ (22), UK/Germany (35), Australia (36)
- Application example:
  - in a high PD country like Malaysia (104), you would probably send reports only to top management and have closed door meetings where only a select few, powerful leaders were in attendance.

# Power/Distance (PDI)

	Characteristics	Tips
<b>High PDI</b>	<ul style="list-style-type: none"> <li>• <b>Centralized</b> companies.</li> <li>• Strong <b>hierarchies</b>.</li> <li>• <b>Large gaps</b> in compensation, authority, and respect.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Acknowledge</b> a leader's power.</li> <li>• Be aware that you may need to <b>go to the top</b> for answers</li> </ul>
<b>Low PDI</b>	<ul style="list-style-type: none"> <li>• <b>Flatter</b> organizations.</li> <li>• Supervisors and employees are considered almost as <b>equals</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• Use <b>teamwork</b>.</li> <li>• <b>Involve</b> as many people as possible in decision making.</li> </ul>

# Individualism (IDV)

- The **strength of ties** people have to others within the community.
- **High IDV** indicates a loose connection with people. There is a lack of interpersonal connection and little sharing of responsibility, beyond family and a few close friends.
  - US (91), Australia (90), UK (89), NZ (79)
- **Low IDV** societies have strong group cohesion, with a large amount of loyalty and respect for members of the group. The group is larger and people take more responsibility for each other's well being.
  - Indonesia (14), China (15), Taiwan (17), Sth Korea (18)
- Application example:
  - in Indonesia or China (14 and 15, respectively), a marketing campaign that emphasized benefits to the community or that tied into a popular political movement would likely be understood and well-received.

# Individualism (IDV)

	Characteristics	Tips
High IDV	<ul style="list-style-type: none"> <li>• High valuation on people's <b>time</b> and their need for <b>freedom</b>.</li> <li>• An enjoyment of challenges, and an expectation of rewards for <b>hard work</b>.</li> <li>• Respect for <b>privacy</b>.</li> </ul>	<ul style="list-style-type: none"> <li>• Acknowledge <b>accomplishments</b>.</li> <li>• Don't ask for too much <b>personal</b> information.</li> <li>• Encourage <b>debate</b> and <b>expression</b> of own ideas.</li> </ul>
Low IDV	<ul style="list-style-type: none"> <li>• Emphasis on building skills and becoming <b>masters</b> of something.</li> <li>• Work for <b>intrinsic rewards</b>.</li> <li>• <b>Harmony</b> more important than honesty.</li> </ul>	<ul style="list-style-type: none"> <li>• Show respect for <b>age</b> and <b>wisdom</b>.</li> <li>• <b>Suppress</b> feelings and emotions to work in harmony.</li> <li>• Respect <b>traditions</b> and introduce <b>change slowly</b>.</li> </ul>

# Masculinity (MAS)

- Refers to how much a society sticks with, and values, **traditional male and female roles**.
- **High MAS:** men are expected to be tough, to be the provider, to be assertive and to be strong. If women work outside the home, they have separate professions from men.
  - Japan (95), UK/Germany (66), Philippines (64)
- **Low MAS** scores do not reverse the gender roles; the roles are simply blurred. Women and men working together equally across many professions. Men are allowed to be sensitive and women can work hard for professional success.
  - Thailand (34), Sth Korea (39), France (43)
- Application example:
  - Japan is highly masculine with a score of 95. If you were to open an office in Japan, you might have greater success if you appointed a male employee to lead the team and had a strong male contingent on the team.

# Masculinity (MAS)

	Characteristics	Tips
High MAS	<ul style="list-style-type: none"> <li>• Men are masculine and women are feminine.</li> <li>• There is a <b>well defined distinction</b> between men's work and women's work.</li> </ul>	<ul style="list-style-type: none"> <li>• Be aware that people may <b>expect</b> male and female roles to be distinct.</li> <li>• Advise men to <b>avoid discussing emotions</b> or making emotionally-based decisions or arguments.</li> </ul>
Low MAS	<ul style="list-style-type: none"> <li>• A woman can do <b>anything</b> a man can do.</li> <li>• Powerful and successful women are <b>admired</b> and respected.</li> </ul>	<ul style="list-style-type: none"> <li>• Avoid an "<b>old boys' club</b>" mentality.</li> <li>• Ensure job design &amp; practices are <b>not discriminatory</b> to either gender.</li> <li>• Treat men and women <b>equally</b>.</li> </ul>

# Uncertainty Avoidance Index

- Relates to the **degree of anxiety** society members feel when in uncertain or unknown situations.
- **High UAI** nations try to avoid ambiguous situations whenever possible. They are governed by rules and order and they seek a collective "truth".
  - Japan (92), France (86), Sth Korea (85)
- **Low UAI** scores indicate the society enjoys novel events and values differences. There are very few rules and people are encouraged to discover their own truth.
  - Singapore (8), UK (35), Malaysia (36), India/China (40)
- Application example:
  - when discussing a project with a Belgian (UAI 94), you should investigate the various options and then present a limited number of choices, but have very detailed information available on your contingency and risk plans.

# Uncertainty Avoidance (UAI)



	Characteristics	Tips
High UAI	<ul style="list-style-type: none"><li>• Very <b>formal</b> business conduct with lots of <b>rules</b> and policies.</li><li>• Need and expect <b>structure</b>.</li><li>• Sense of <b>nervousness</b> spurns high levels of emotion and expression.</li><li>• Differences are <b>avoided</b>.</li></ul>	<ul style="list-style-type: none"><li>• Be <b>clear and concise</b> about your expectations and parameters.</li><li>• <b>Plan and prepare</b>, communicate often and early, provide detailed plans and focus on the tactical aspects of a job or project.</li><li>• <b>Express</b> your emotions through hands gestures and raised voices.</li></ul>
Low UAI	<ul style="list-style-type: none"><li>• <b>Informal</b> business attitude.</li><li>• More concern with <b>long term strategy</b> than what is happening on a daily basis.</li><li>• <b>Accepting</b> of change and risk.</li></ul>	<ul style="list-style-type: none"><li>• <b>Do not impose</b> rules or structure unnecessarily.</li><li>• Minimize emotional response by being <b>calm</b> and <b>contemplating</b> situations before speaking.</li><li>• Express <b>curiosity</b> when you discover differences.</li></ul>

# Long Term Orientation (LTO)

- Refers to how much society values **long-standing** – as opposed to short term – traditions and values.
- A 5<sup>th</sup> dimension added in the 1990s after finding that Asian countries with a strong link to Confucian philosophy acted differently from western cultures.
- In countries with a **high LTO** score, delivering on social obligations and avoiding "loss of face" are considered very important.
- Application:
  - People in the US and UK (having low LTO) don't value tradition as much as many others, and are therefore likely to help you execute the most innovative plans as long as they get to participate fully.

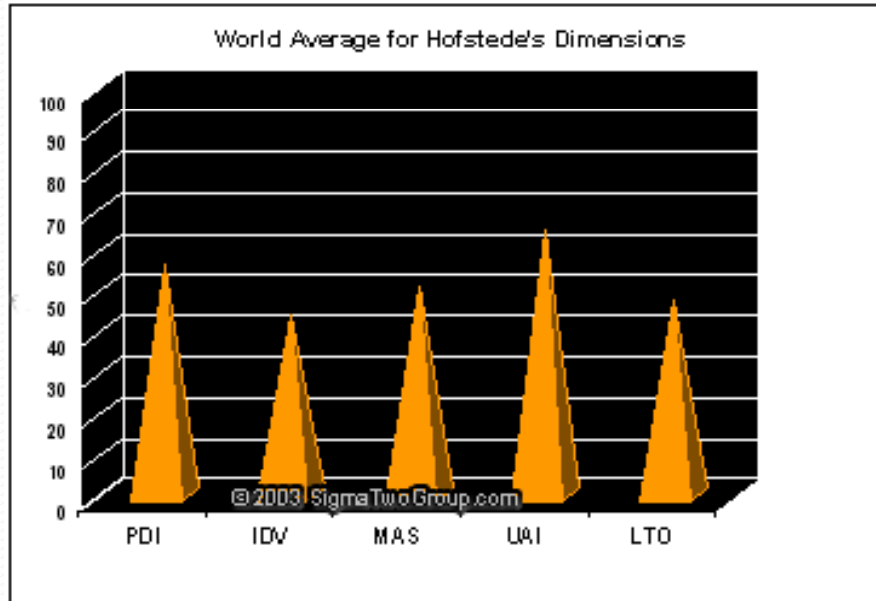
# definitions

- **Power Distance** - refers to the **degree of inequality** that exists – and is accepted – among people with and without power.
- **Individualism** - the **strength of ties** people have to others within the community
- **Masculine** - refers to how much a society sticks with, and values, **traditional male and female roles**.
- **Uncertainty Avoidance** - relates to the **degree of anxiety** society members feel when in uncertain or unknown situations.
- **Long Term Outlook** - refers to how much society values **long-standing** – as opposed to short term – traditions and values.

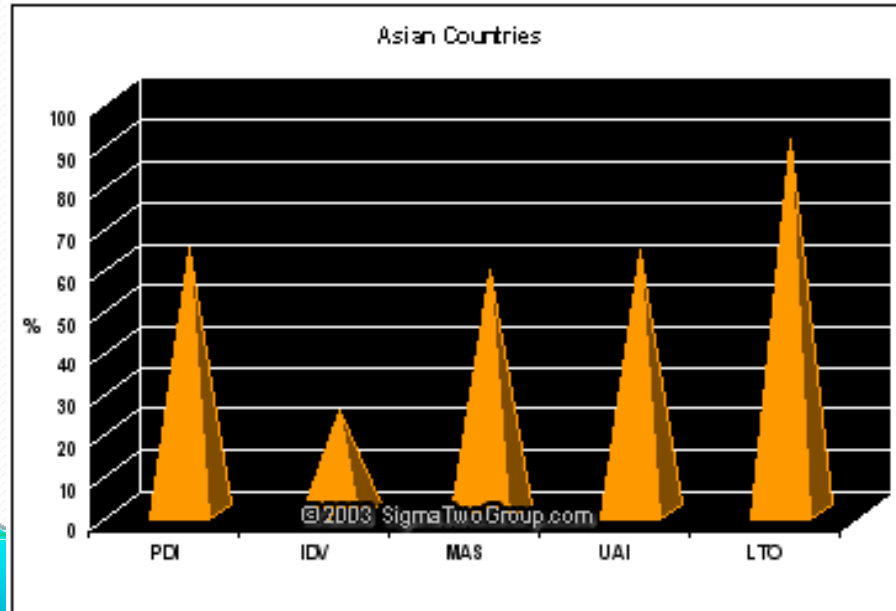
# Long Term Orientation (LTO)



	Characteristics	Tips
High LTO	<ul style="list-style-type: none"><li>• <b>Family</b> is the basis of society.</li><li>• <b>Parents</b> and <b>men</b> have more authority than young people and women.</li><li>• Strong <b>work ethic</b>.</li><li>• High value placed on <b>education</b> and training.</li></ul>	<ul style="list-style-type: none"><li>• Show respect for <b>traditions</b>.</li><li>• Do not display <b>extravagance</b> or act frivolously.</li><li>• Reward <b>perseverance, loyalty, and commitment</b>.</li><li>• Avoid doing anything that would cause another to "<b>lose face</b>".</li></ul>
Low LTO	<ul style="list-style-type: none"><li>• Promotion of <b>equality</b>.</li><li>• High <b>creativity, individualism</b>.</li><li>• <b>Treat others</b> as you would like to be treated.</li><li>• <b>Self-actualization</b> is sought.</li></ul>	<ul style="list-style-type: none"><li>• Expect to live by the same <b>standards</b> and rules you create.</li><li>• Be respectful of <b>others</b>.</li><li>• Do not hesitate to introduce necessary <b>changes</b>.</li></ul>



World averages:  
55 - 43 - 50 - 64 -  
45



\* Ave. of scores  
for China, Hong  
Kong, Japan,  
South Korea, and  
Taiwan

# application to spa...?



# Thank you!

**Sources:**

<http://www.geert-hofstede.com/index.shtml>

[http://www.mindtools.com/pages/article/newLDR\\_66.htm](http://www.mindtools.com/pages/article/newLDR_66.htm)