

Notes for In-Class Case-Study

Steps

1. Describe: Summarize, work out the dynamics of the scenario — feelings, perceptions, power relations
2. Analyze: Apply models and frameworks to explain what is going on
3. Evaluate: Comment on the actions taken, suggest alternative options
4. Lessons: Link to other cases or broader issues

Universal Suggestions

- Workshops to build trust
- Get to know one another socially
- Transparency
- Communication
- Integration plan monitor follow-up
- Language

Models

Intercultural Sensitivity (Milton Bennett 2000)

1. Denial (Ignore)
2. Defense
3. Minimization
 - a. Isolating diff natl corp cultures
 - b. Creating a strong global corp culture
4. Acceptance
5. Adaptation
6. Integration
 - a. Utilize – leveraging culture diversity for competitive advantage

Hofstede's Dimensions

- Power distance – degree to which people expect power to be distributed equally (high = strong social order; low = power is shared)
- Uncertainty avoidance – Extent to which people rely on norms, rules, and procedures to reduce unpredictability of future events (high = formal interactions, fear of ambiguity, high stress, anxiety; low = rely on word of trust)
- Individualism-Collectivism (high = individualistic; low = collectivistic)
- Masculinity-Femininity (high = masculine, competition, material success; low = feminine, caring, relationships)

Trompenaars

- Universalism (obligation to adhere to a set of universal standards agreed by the culture) vs. Particularism (particular obligations to the people we know no matter what the rule says)

- Affective (open with emotions, direct response) vs. Neutral cultures (keep emotions controlled, indirect response)
- Specific (task oriented, acquaintances) vs. Diffuse cultures (relationship oriented, close personal friends)

Statistics

- France – ↑PDI, ↑UAI, ↑IDV, ↔MAS
- Netherlands – ↓PDI, ↔UAI, ↑IDV, ↓MAS
- China – ↑PDI, ↓UAI, ↓IDV, ↑MAS
- Japan – ↔PDI, ↑UAI, ↔IDV, ↑MAS
- USA – ↔↓PDI, ↔UAI, ↑IDV, ↑MAS
- Germany – ↓PDI, ↑UAI, ↑IDV, ↑MAS
- Sweden – ↓PDI, ↓UAI, ↑IDV, ↓MAS
- Latin American – ↑PDI, ↑UAI, ↓IDV, ½MAS

Case Studies

Air-France-KLM

- Dutch – money driven
- French – aloof, hierarchical
- Each only thinks of their own company side
- Canteen payment unequal
- CEO vague response, uninterested

Abercrombie in Tokyo

- Males have chest exposed = uncomfortable
- Had to speak English in stores with difficulty
- Distaste for perfume, dim lighting
- Look for more subtle branding, no room for individualization, did not adapt to Japanese style

Ikea in China

- Always busy and full
- Few interested in buying – “today's visitor could be tomorrow's customer”
- Different shopping behavior – sleeping, leaving trash, ruining products
- Not willing to pay prices
- Largest market = expansion

Daimler-Chrysler

- DaimlerBenz imposing imprint, more dominant
 - Acquiring Chrysler rather than merger
 - Precision, safety-quality-oriented approach
 - Compared to performance culture of Chrysler – sales, marketing, risk-oriented approach
- Resisted any form of adaptation