4. CULTURAL ENVIRONMENT
Read chapter 4
Learning Objectives

1. Culture and cross-cultural risk
2. Key concepts of culture
3. The role of culture in international business
4. Cultural metaphors, stereotypes, and idioms
5. Interpretations of culture
6. Subjective versus objective dimensions of culture
7. Language as a key dimension of culture
8. Contemporary issues in culture
9. Overcoming cross-cultural risk: Managerial guidelines
Agenda

- What is Culture?
- Typology of Culture
- Culture in Business
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- Typology of Culture
- Culture in Business
Key Concepts

**Culture**: The learned, shared, and enduring orientation patterns in a society.

- People demonstrate their culture through values, ideas, attitudes, behaviors, and symbols.

**Socialization**: The process of learning the rules and behavioral patterns appropriate to one's society.

**Acculturation**: The process of adjusting and adapting to a culture other than one's own.
National, Professional, and Corporate Culture

National Culture
- Nationality
- Ethnicity
- Gender
- Religion
- Social Institutions
- Social Class
- Educational Systems

Professional Culture
- Academe
- Business
- Banking
- Engineering
- Computer Programming
- Legal
- Medical
- Military

Corporate Culture

Progressive Socializations that Occur During a Person’s Life
Afghanistan; Saalem, 13 years old, Earns 30 cents for every 2.2 pounds of plastic that he brings to the facility.-Oct 2013

Her parents bought her that iPhone. She is crying because she is happy.

Waiting in line for water, Africa

A queue at the door of a supermarket, Venezuela, Jan 09, 2015

Waiting in line for a new iPhone, New York City
Dr. Ilke Kardes

VALUES
A person’s judgments about what is
- good or bad,
- acceptable or unacceptable,
- important or unimportant, and
- normal or abnormal

ATTITUDES AND PREFERENCES
- developed based on values
- similar to opinions, but
- often unconsciously held and
- may not have a rational basis

PREJUDICES
- rigidly held attitudes
- usually unfavorable and aimed at particular groups of people

MANNERS AND CUSTOMS
Ways of behaving and conducting oneself in public and business situations.
- eating habits, mealtimes, work hours, drinking, behavior at social gatherings (kissing, handshaking, bowing), gift-giving, the role of women, etc.,
Material and Non-material Culture

Physical Culture
- Clothing
- Tools
- Decorative art
- Homes

Abstract Culture
- Religion
- Perceptions
- Attitudes
- Beliefs
- Values
Culture as an Iceberg

A massive base of assumptions, attitudes and values that strongly influence decision-making, relationships, and other dimensions of business.
Culture is linked with particular groups based on various factors, including:

**Geography.** Different levels – the world, the nation, the region, cities -- elicit unique cultural perspectives.

**Ethnicity.** For example, people of African, Indian, and Latino heritage tend to perceive reality differently.

**Gender.** Men and women often experience the world differently.

**Age.** Seniors, baby boomers, teenagers, and children perceive their worlds differently.

**Language.** Language both reflects, and is reflected by, cultural differences.

**Occupation.** Perspectives differ among blue collar workers, professionals, or artists.
Video Session:
Culture Shock by National Geographic

More on https://www.pinterest.com/drkardes/ch-4-culture/
Religion

- A system of common beliefs or attitudes regarding a being or system of thought that people consider sacred, divine, or the highest truth; and the associated moral values, traditions, and rituals.

- Influences culture, and therefore business and consumer behavior.

- Example: Islam’s holy book, the Qur’an, prohibits drinking alcohol, gambling, usury, and ‘immodest’ exposure.
  - Nokia launched a mobile phone that shows Muslims the direction towards Mecca, Islam’s holiest site.
Language

- The “mirror” or expression of culture; essential for communications; provides insights into culture.
- Linguistic proficiency is a great asset in international business.
- Language has both verbal and nonverbal (unspoken, facial expressions and gestures).
- Concepts and meanings of words are not universal, even when they can be translated into other languages.
- There are nearly 7,000 active languages, including over 2,000 in each of Africa and Asia.

Voice Recognition Elevator - Eleven
https://www.youtube.com/watch?v=0Z8-N3XKpl8
Video Session: Italian vs. American
Interpretations of Culture

Cultural Metaphor
- A distinctive tradition or institution strongly associated with a society
- A guide to deciphering attitudes, values, and behaviors
- Examples -- American football: systematic planning, strategy, leadership, against rivals
  - The Swedish stuga (a summer cottage): the love of nature and desire for individualism
  - The Spanish bullfight: the importance of ritual, style, courage, and pride

Stereotypes
- Generalizations that may or may not be factual, often overlooking real, deeper differences.
- Example -- People from the United States are said to be: Argumentative and aggressive, compared to Japanese who tend to be reserved and humble.

Idiom
- An expression whose symbolic meaning differs from its literal meaning; symbolizes cultural values.
- Examples -- U.S.: “Necessity is the mother of invention.” => Resourcefulness
  - Turkey: “Steel that works, does not rust.” => Hard work
  - Thailand: “If you follow older people, dogs won’t bite you.” => Wisdom
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