

International Handbook of Corporate Communication

William V. Ruch

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International Handbook of Corporate Communication

by

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To
Carroll G. Parks
of Allentown, Pennsylvania,
who taught me

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Preface and Acknowledgments

How can you discuss any subject that includes the entire nonsocialist world in a book of this size? You do it by being very specific about the topic being covered, by selecting the best sources, both primary and secondary, and by admitting that what this book hopes to do for the reader is only a beginning of an intensive, extended study of this most important subject.

I have travelled throughout the Soviet Union, Asia and Europe, have "touched down" in Africa and Latin America, and have taught for two years in Japan and for one year in Europe. To the old saying that people are the same everywhere I would add the obvious fact that their cultures are different. Even the simplest interaction between me and a member of any one of these countries contained the seed of misunderstanding. For example, while driving from Italy to Spain in 1984, travelling from the location of one semester's teaching to the next, I stopped at the toll booth just outside of Barcelona. To be sure I was on the right road, I asked the attendant "Madrid?" while pointing ahead of me. "Eh?" he responded, so I repeated with rising inflection, "Madrid?" motioning forward with my hand again. Still he didn't understand. Nobody was waiting behind me, so I pointed on the map the country's capital. "Ah, Madrid," the man exclaimed, flapping the "r" and smiling in great relief with a touch of embarrassment for me. I had pronounced a word in a way he was not used to because we don't flap our r's in English, and the result was a lack of communication. The effort was worth it, however, because I had not been on the right road to Madrid.

I hope that this book will save you from similar experiences in intercultural communicating in general and in corporate communicating in particular.

My deepest indebtedness for help received in the writing of this book must go to the many business persons from around the world who participated in my study of corporate communication. Many of them, from countries where English is not spoken natively, ignored the presumption of my communicating in my language, not theirs, and responded, also in my language. I acknowledge the years of study it took for them to achieve the second-language fluency that allowed them to do that and appreciate their willingness to use their skills in my behalf. Foreign embassy staffs in this country and the staffs of United States consulates and embassies abroad were unstinting in giving me aid, telephoning

my home when they required additional information to be sure they were providing the right data.

I also used the large body of literature on the subject of life and work in foreign countries. The United States government series, *A Country Study/Area Handbook*, constantly being revised and updated, provided much useful background information. Similarly materials of the David M. Kennedy Center for International Studies at Brigham Young University were extremely helpful—“culturegrams” on practically every country in the world and booklets on selected regions and countries. The East-West Center in Honolulu has a wide variety of materials available on the Pacific area. The Hong Kong and Shanghai Bank sent me free of charge its slick, professional “Business Profile Series” which filled in crucial details not found elsewhere. The SRI Business Intelligence Program provides a “Doing Business in” series of booklets covering business and protocol practices in many countries. Numerous publications of Intercultural Press of Yarmouth, Maine, particularly its “Update” series, was of considerable help in this work. The output of several other publishing houses specializing in international communication and business topics was similarly helpful in this study: Gale Research Company of Detroit, Facts on File of New York City, Sage of Beverly Hills, and Inter-Crescent Press of Garden Grove, California. Their specific works are listed in the Bibliography.

Finally, anyone doing a study on this subject must acknowledge with gratitude the insightful work of anthropologist Edward T. Hall, particularly that in his book *Beyond Culture*. It has helped clarify so much of the subject of intercultural communicating for so many of us.

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Introduction

Of all the possible occasions in life when a lack of knowledge handicaps individuals, not knowing how to communicate across cultures in attempting to transact business is surely among the costliest. Consider the consequence, for example, of not knowing that the word “billion” in the United States means thousands of times more than in some other countries, that “yes” in certain countries may actually mean “no,” or that the increased “heat” of the American hard sell may actually douse the flame of interest in the minds of some foreigners.

Travelling Americans would hardly think that doing business abroad presents much of a problem; American products are on display almost anywhere that one goes. American television programs with foreign-language dubbing can be seen in almost any foreign country. So what’s the problem with regard to exporting American products and services?

Most of the American entry into foreign markets occurred at a time when competition was nearly nonexistent. Abundant evidence exists to prove that that is not the case anymore.

During one vacation period, for instance, the author visited Portugal to experience the culture and to compare it with the Spanish culture. A visit to the Portuguese bullfight near Lisbon one evening showed it to be very different from the Spanish bullfight. In Portugal the matador is on horseback; in Spain he is on foot. In Portugal the bull’s horns are covered with a type of canvas and he is not killed. The horse and rider move adroitly and rapidly around the ring, avoiding the pursuing bull by inches, enabling the matador to thrust a spear into the bull’s back. The top of the spear comes off and attached to it is a flag that the matador waves triumphantly as the horse prances around the edge of the ring, relishing the crowd’s cheers.

About the third time this happened, a red design was discernible on the flag and as the matador passed the audience could see that it was the three-diamond logo of the Mitsubishi Company. Posters on the walls of the bull ring proclaimed that Japanese company sponsors of the event! The Japanese today are sparing nothing in terms of money or imagination to get their message across all around the world. Since then, the picture in Figure 1 appeared in the newspaper; as you can see, it shows a Spanish bull fighter whose uniform displays the name of another Japanese company.

The Rastro in Madrid is reputed to be one of the world’s largest flea markets. For block after block merchants set up stands near the city’s down-



Figure 1. Japanese advertising on a Spanish matador's uniform. (AP/Wide World Photos, New York.)

town area each Sunday. Crowds are so huge that at times one can't even move, and at every second block or so one sees Japanese agricultural products being demonstrated by the Spanish to crowds of interested onlookers. Japanese marketing practices today, like most of their products, are impressive.

One wonders, while living in Europe, why Americans have not kept up in foreign markets and what we need to do to catch up. Such thinking always settles on the same theme: we Americans have to learn to communicate in a way that goes beyond the kind of talking to presold consumers we could depend on in the past. That entails really knowing potential foreign consumers and what they want and how they expect to be addressed — skills American business persons haven't had to worry about before. This book seeks to help Americans learn more about foreign cultures and the preferred communication practices within those cultures, particularly in their organizations.

Sources of information used in this study were (1) a survey of the Fortune International 500 companies as well as selected companies from third-world nations which were poorly represented on or excluded from the Fortune list, (2) an intensive literature search, (3) letters to foreign embassies and consulates in Washington and New York City, (4) letters to American consulates in foreign countries asking for help and direction, (5) visits to a few embassies and consulates in New York City and (6) the author's own worldwide travel experience.

The decision was made at the beginning of this study to cover only the world outside the communist or socialist countries. When the author visited the Luch watch factory in Minsk during a tour some years ago in the Soviet Union, the only communicating going on was the use of posters. The plant had two huge posters on the walls, one listing those workers who had made quota and the other listing those who didn't. The message was clear: if you are on the wrong one, you had better work harder. When asked what would happen to a worker who refused to at least try or who didn't come to work at all, our Russian guide thought for a long minute as though the suggestion were preposterous and then said, "The police would get involved."

Although Soviet leader Mikhail Gorbachev's *glasnost* campaign is showing signs of changing the attitudes implicit in the above — workers are starting to be paid by output rather than by time present — the country has a long, long way to go to reach the point where the proper communication techniques make a difference. So communist countries are omitted from this book, with the single exception of Nicaragua. Discussing Latin America without Nicaragua would have been like talking about the Seven Dwarfs without "Sleepy"; you would then have had only six dwarfs.

The scope of this book is unavoidably broader than just communication. It is impossible to discuss business communication in foreign countries without also discussing their business organizations, which in turn requires a knowledge of the cultures in which the organizations operate. So this book discusses as much of the culture of a country as needed to introduce it adequately to the reader and proceeds then to organizations and corporate communication in this sequence: the land, the people, a brief history, the economy and organizational communication.

It became apparent during the work that two regions of the world are so similar as to allow greater regionalizing of discussion than was possible in the rest. Latin America and the Middle East, therefore, are discussed extensively as regions and less thoroughly as individual countries. In other areas, countries were necessarily considered on more of an individual basis.

The reader is expected to use the information provided to interpret conditions in any particular country. For instance, the percentage of workers engaged in agriculture as opposed to industry or services provides some indication of the stage of development of a country's economy — Agricultural, Industrial or Information Age, primarily. In a country with a very low literacy rate and a mostly nonfunctioning telephone system, visiting foreign business persons have little alternative but to communicate personally with large groups of workers.

A study of communication programs will show management's attitude toward employee communication. A downward system that is better-developed than the upward system — and in some countries the differences are startling — provides insights into management's communication attitude.

The content of this book should be viewed as a start in the long process of learning about foreign countries and cultures to the point where business persons can function in them in the same successful and competent manner as they do in their own.

1. Communication in the Organization

Introduction

Using a felt-tip pen to draw additional boxes and arrows on pre-prepared transparencies, a speaker at the 1987 International Conference of the Association for Business Communication explained in meticulous detail how thinking about corporate communication has changed in the decade that she has been teaching the subject. With the concurrence of her business-college colleagues in a large, prestigious, midwestern university, she now presents communication as another function of management, along with planning, organizing, staffing, directing and controlling. As the author discussed with her afterwards, however, her analysis seemed more descriptive of what we need than what we have in many organizations and still the approach is too narrow. In this Information Age our thinking about communication in organizations must be that communication *is* the organization, communication *is* management.

Imagine any organization without communication, if you can. The definition of "organization" presupposes communication: An organization is people working together to achieve some agreed-upon objectives. How could you agree upon the objectives much less work together to achieve them without communicating? The whole world is beginning to understand what the Japanese have known for a long time: the most important element of any organization is not the physical plant nor the technology nor the product nor the profit but the personnel, and dealing with personnel requires communication. Extend the organization across national borders, cultures and languages, and the importance of communication competency increases exponentially.

This chapter discusses some subjects important for creating successful worldwide communication programs: the Information Age, culture, communication and intercultural communication.

The Information Age

Following a long industrial era, the world is experiencing the rapid growth of the Information Age as the third great transformation in our planetary pattern of living. Our ancestors learned to grow their own food around 8000 B.C.,

Table 1. The Information Age and Industrial Age Compared

<i>Industrial Age</i>	<i>Information Age</i>
SOCIETY	
Total of human knowledge doubles every ten years	Total of human knowledge doubles every year
Based on mechanization	Based on computerization
Separate national economic structures	Unified worldwide economic structure
Developing countries play only marginal role in worldwide economic activity	Developing countries participate in worldwide economic structure by taking over basic industries
Data bases numerous and scattered	Worldwide data base provides best, most current information available
Information shared worldwide by delayed transmission	Instantaneously shared information worldwide by satellites
CORPORATIONS	
Control based on supervision	Control based on feedback
Value increased by labor	Value increased by knowledge
Foundation for work is profit	Foundation for work is systematic acquisition of information
Information acquired as needed	Information central to operation
Communication based on "need to know"	Communication is basic function
MANAGEMENT AND EMPLOYEES	
Manager a decision maker	Manager an information processor
Production workers predominate	"Knowledge workers" predominate
Emphasis on total organization	Emphasis on small groups and individuals
Requires people who obey orders	Requires resourceful and individualistic people who accept responsibility and are capable of using all their skills
Education for definite period of 12 or 16 years	Lifelong education