



CULTURAL DISTORTION AND HARMONISATION ON INTERNATIONAL BUSINESS: THE PANACEA FOR SUCCESS

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Article DOI: <https://doi.org/10.36713/epra9271>

DOI No: 10.36713/epra9271

ABSTRACT

The purpose of this paper was to study and unravel the implications of cultural distortion on businesses, gains and gradual harmonization of culture across national boundaries globally. Despite the national and political boundaries around the world, the activities involving cross-border operations have always persisted, but have had a dramatic growth since the Second World War. Successful business operations globally depend largely on the understanding of the cultural differences of countries which enormously have the tendencies of affecting the degree of business relationship. It is very obvious that every institution across nations of the world is deeply attached to societies with diverse cultures such as language difference, different tradition of trust, individualists and collectivists tendencies which globalization concept intends to harmonise and be accepted by the local market around the world. As a consequence, it is very imperative to strive for gradual harmonization of culture. This however implies making suitable changes on the differences among national norms, traditions, values, beliefs and rituals of different nations in order to achieve uniformity.

KEY WORDS: *Culture, Cultural Distortion, Cultural Harmonization, Globalization*

INTRODUCTION

Businesses are conducted by people from around the world with diverse background, assumptions, values, communication. The reality of the differences in national culture is not worth denying, because nations have acknowledged diversity in culture more increasingly. This however is of obvious significance to managers because the cultural differences are greatly known for their serious implications, more especially, in international negotiations of firms involving normal business transactions.

Success in international business depends on strong awareness of the aspects of a country's commercial environment. This environment fundamentally requires an analysis of the languages the people speak, their climate, openness of mindset to new ideas, government interest in the business, political stability, income level and the cost of labour. As a consequence, negotiations are indispensable in international business operation in any market. Agreement may be halted and information misrepresented because the process of communication

could not result to effective communication during negotiations. For instance, American could use individualist tendencies while Japanese would use cooperative tendencies in negotiation. Thus, the cultural differences have the capacity of influencing the goals of negotiation.

In conducting businesses across national boundaries, differences are perceived in the ways and manner people live and work. Some cultures have strong work ethic, while some have balanced pace between work and leisure which are capable of affecting the effective functioning of an organization unfamiliar with the different cultures. Companies engaged in cross-border transactions are always seen to be agents of cultural change. For instance, a fall in trade and investment, consumer goods and entertainment would induce companies to move into exploiting the market thereby creating cultural imperialism. On the other hand, culture also causes companies to adjust their business politics and practices. Furthermore, on globalization spread, individuals that are involved directly in international business benefit from cultural literacy by having deep knowledge of the culture that allow them function



effectively within the culture, manage people, market products and conduct negotiations.

1.1 Objectives of the study

The objectives of the study included:

- 1 to unravel how cultural differences greatly affect business relationship and success across national boundaries.
- 2 to know the effect of distortion of culture on the loss of customers.
- 3 to establish the relationship between cultural harmonization and reduction of conflicts in standard belief.

THEORETICAL FRAMEWORK

2.0 Cultural Understanding

The fundamental element that is more crucial in international business is culture. However, it is quite difficult to define culture because of the usage of the term by different writers. For example, Tyler, (1870:1) as cited by Avruch (1998:6) defined culture as the complex whole which includes knowledge, belief, arts, morals, law, custom and any other capabilities and habits acquired by man as a member of society. Hofstede, (1994) defined culture as the collective programming of the mind which distinguishes the members of one group or category of people from another. Matsumoto, 1996:16 defined culture as the set of attitudes, values beliefs, and behaviour shared by a group of people, but different for each individual, communicated from one generation to another. For the purpose of this study, culture defined by John J. Wild, Kenneth L. Wild, and Jerry C. Y. Han (2010) as a set of values, beliefs, rules and institutions held by specific people is considered relevant. In other words, the culture of a people includes the things they consider to be beautiful and tasteful, their beliefs, traditional habits and the manner of relationship to one another and their surrounding Wild et al; (2010).

Different countries have different languages, attitudes, religious beliefs, traditions, and customs. Prominent cultural elements influence the kind of products to be sold and how they can be sold. According to Wild et al; (2010), they maintain that products such as industrial equipments, consumer products are sold in the global market with little or no modification, while some others must extensively adapt to local choice to ensure that the products are sold. An example is the issue of coke drinking in China where it is seen as having the same taste with traditional medicine used in fighting bird flu and cold symptom Wild et al; (2010).

Changes in culture virtually impact on all products. Organizations operating globally have been challenged by the threats and opportunities which arose

from changes in culture. If all countries' environment of business were to be the same, decisions on where to market or produce products would not pose any problems to managers. However, there are differences among cultures of nations and managers who are engaged in international businesses must understand the effects of their differences and include them in their decisions concerning marketing and production. The elements in the culture have the tendencies of affecting the site Selection decisions when the modification of products are needed for cultural reasons. As a consequence, cultural elements induce companies to make adjustments in their policies. For example, most managers in the United States of America often come across cultural differences that influence changes in motivating the work force.

Every person who is concerned with international businesses should strongly be culturally literate which makes him or her accessible in any part of the globe. It is however difficult for many employees and companies to be entirely culturally literate. But, the level of the company's involvement in international business depends to a large extent on the degree and knowledge of culture by the employees Wild et al, (2010). They assert that companies with high international activities require employees with indebt knowledge of countries' cultures.

2.1 Diverse Cultures

The concept of nation state is very significant when referring to national culture. According to (Wild et al; 2010). British and Indonesian cultures are made reference to as if all Britons and all Indonesians have identical culture because of nation-state idea.

They maintain that in Great Britain, there still exist intensive progressive campaigns for more Indonesian and Scottish independence. Again, in the remote part of Indonesia, people still build homes on the top of trees, while people in developed regions are more concerned with important positive development projects. This however explains the reason why sub-culture can be different from the national culture in terms of language, race, lifestyle, values and attitudes.

Diverse cultures have the tendencies of creating cultural imperialism that can influence cultural change by dint of companies delving into unexploited market. It is for this reason that French dislike Walt Disney product and its Disneyland Paris theme park. Again is McDonald also charged with imperialism in Japan because Japanese children thought that McDonald product was made in Japan and exported to United States of America.

In China for instance, Chinese dialects according to (Wild et al: 2010) in the regions of



Shanghai and Canton differ from those in the interior areas. In the United States of America, the country has diverse cultures made up of black, Hispanic and Asians. In countries like Jordan, Pakistan and Saudi Arabia, green colour is favourable to them. Hence, companies need to understand their emotional attachment to green as a strategy for product design, packaging, promotion and advertisement. On the other hand, green is likened to sickness across many areas in Asia. The colour of death and mourning in U.S, Mexico and Europe is black, while it is white colour in Japan and most Asian countries.

It is also very imperative for people working in other cultures to be abreast of peoples' manners and customs i.e their exact ways of behaving, speaking and dressing. These have the strengths of helping managers to avoid uncomfortable mistakes. For example, according to (Wild et al, 2010), in the Middle East to North Africa, a younger person does not give out his hand to shake an older person. It is only expected that the oldest person extends out his hand. Arab culture does not permit an individual to use his left hand meant for personal hygiene to serve tea or meal. During meal periods, businesses are conducted more common in U.S, while in Mexico, it is believed to be poor manner, unless done by the host first. Again, in Mexico, discussions about business can only be done when brandy and coffee arrive.

In many countries, taken gifts to business and government functionaries *are seen as customs, but the kind of gift varies. For example, in Russia, France and Germany, a knife should not be offered because it signifies breaking of relationship. In Japan, gifts must be properly wrapped and expressed as very trivial in the presence of the recipient. Cultures also differ in giving and accepting bribes. In U.S, bribery is highly forbidden, while in Germany, payment of bribes allows reduction in tax payment.*

2.2 Cultural Distortion

Distortion in vocabulary. com is defined as a change, twist or exaggeration that makes something appear different from the way it really is. In other words, distortion involves something that has been presented in a way that makes it look different from the truth or in a way that makes it look different from normal. In reality, distorted culture implies the culture whose normal, original and natural way of being has changed, altered or mixed with unfamiliar culture thereby making it not to be real or original. It involves the process of altering the original state of a phenomenon thereby making it not to be real culture any more.

By dint of this definition, different cultures have different systems and standards and expectations, such that the problem caused by one culture may not be the same in other cultures. Thus, different cultures in the nations of the world becomes distorted by virtue of different beliefs, norms, values, ritual, traditions, understanding and interpretations with respect to global business transactions.

According to (Harbison and Myers 1959), as nations industrialize emotional attachment to leadership changes and management become faced with divergent commitments and constraints on authority. In other words, different countries which requires full understanding by management in terms of negotiation.

The internal growth of business can be disrupted as a result of cultural distortion. The reason being that cultural distortion is capable of influencing the decision involving establishment of fresh business in different countries because of time factor involved in mastering the culture. Lee et al; (2011) maintain that it is important for organizations wishing to establish in new areas to understand the cultural differences in order to bridge the gap in operating in many countries.

The importance attached to understanding cultural distortion is reflected in the company's marketing strategies of 4ps which needs consideration of the cultures of the target market. On the contrary, if the marketing strategies did not consider the cultures of the target market, the company will not attract its target market.

2.3 Effects of Cultural Distortion – Loss of Cultural Harmonization

An unprecedented cultural distortion results in loss of customers, and also creates problems for companies through pressure groups and protests by the general public. A culturally distorted marketing strategy can backfire and condemn the good image of an organization.

The introduction of values from different cultures in a particular country can be strongly resisted. For example, Muslims in their large numbers according to (Wild et al; 2010) believe that alcohol, drugs and some kind of music underrates prominent Islamic values. This attracts severe penalties against any person found with any of these items by countries such as Iran, Saudi Arabia. Again, a distorted culture hampers the process of feedback Muhammad Ali AccAhttp. This is exemplified by the relationship between pay and job satisfaction as being strong in U.S, but weak in Japan (Money and Graham 1999)



2.4 Cultural Harmonization

Harmonization involves making small changes in noticed differences in ways of doing things, chronological sequence of events, instructions, process to achieve uniformity. It involves more of trying to ensure that all of the above as applied differently in different cultures in nation of the world are the same or similar in order to work easily. In other words, harmonization emphasizes more on extensive achievement of an agreed cooperation among nations of the world. The bottom line of harmonization is to achieve some level of compatibility in the way of doing things generally among different nations of the world.

Gradual harmonization of culture therefore involves a trend through which there could be a slight reduction of conflict in the standard different beliefs, values, attitudes, behaviours, traditions, rituals which are held independently by different nations of the world. The objective remains to achieve commonality that needs to be upheld as common standard. In other words, harmonized culture means different nations' behaviours, attitudes, values, beliefs which works in tandem with each other thereby achieving cultural coherence.

Cultural harmonization according to (Wild et al, 2010) involves spreading of cultures over different nations of the world thereby moving cultural characteristics into different cultures to be accepted and adopted. They maintain that the speed of cultural movement and change are being increased by globalization and advancement in technology. This has given rise to an increase in the amount of international contacts via satellite television, video conferencing.

2.5 Gains of Gradual Harmonization of Culture

There are similarities and differences in different cultures, but the level varies. According to Bilkey and Tesav, (1977), harmonized culture has the tendencies of avoiding cultural mismatch. In other words, harmonized culture has the capability of improving one's knowledge of international cultural differences in business thereby building international competencies as well as to gain competitive advantage. Harmonized culture also assist in gradually understanding peoples' manner and culture which will eventually help managers avoid making costly mistakes. For instance, in Germany, people speak loudly when sharing business ideas, while in Japan, they speak softly (Wild et al, 2010).

More importantly, gradual harmonization of culture will enable the knowledge of the factors that have direct impact on business such as communication barriers, customer needs. It will also enable research easier in knowing target markets with respect to

customer demand, decision making, gender view which varies in different cultures. It will also lead to cultural adaptability. It will reinforce the abilities of managers to adjust their behavioural tendencies when especially working among people from diverse cultures. In other words, it will facilitate the development of individual knowledge of unknown cultures. Gradual harmonization of culture could also lead to the acceptance of western management theories and practices in the whole world than the Anglo-Saxon business practices upon which the western management theories and practices are based. It can also allow the acceptance of global mentality test capable of evaluating individual openness and understanding of global terminologies and principles. Generally, it will facilitate free flow of trade, opening of markets avoid unnecessary trade dispute and have fair and open trade policies.

2.6 Cultural Globalization

Globalization according to (Wild et al, 2010) is defined as the trend towards greater economic, political, technological and cultural interdependence among economies and institutions. By this definition, globalization is intended to reshape the lives of everybody, by making individuals and organizations advance into other countries thereby exposing them to the characteristics and regular activities of other cultures. Globalization works as a conduit for process of coordination and cooperation. It is speeding the integration of varying cultures as exemplified in traded goods such as Nollywood movies, French wine and Japanese anime, global communication and internets.

Culture therefore becomes a vital business as a result of the society becoming more successful with its resultant effects of growing cross-border trade and investment in cultural goods and services, enjoyment of cultural knowledge through tourism. For example, France is seen as receiving more tourists today than other countries in the world. This trend had also helped most tourists to know and benefit from some of the French culture. Some countries such as France, Japan and Hong Kong have also invested in Disneyland by dint of cultural globalization Wild et al (2010).

Cultural globalization therefore is defined as the sending or giving of meaning, values, and ideas around the world in order to build an intensified social coherence. It is one of the three dimensions of globalization and defined by James L. Watson as something special which has influenced one's everyday life as a result of standardized influx of commodities and ideas occasioned by cultural expression around the globe. In other words, cultural globalization involves the formation of norms and knowledge that are shared



with which people associate their individual and collective qualities. Essentially, the visible signs of cultural globalization include American food chain, internet connections, cell phone call, video conferencing, McDonald food, Honda plant in United States of America.

2.7 Imperatives of Globalization

Globalization today tends to connect the cultures of different countries for overall global development, even though there are catastrophes over the acceptability of the concept domain. However, its imperatives are explained through the following:

1. **Development of Economies:** Most trading partners and large economies have located in the Triad regions in the past. i.e. North America, Western Europe and Japan. Fortunately, greater number of trading opportunities are now found in the big emerging market which have necessitated the promotion of better growth opportunities for many firms around the world through globalization.
2. **World Competition:** In the past, there was stern world competition between General motors, Chrysler and Ford who are the greatest automobile manufacturers in the world. But today companies such as Toyota, Hyundai; Honda have turned out to be major competitors thereby fostering cooperation among them through globalization.
3. **Domestic Market Capacity Coverage:** As a result of capacity of the domestic market being filled up in the part of the globe that is highly industrialized, the trend forced many companies to search for alternative marketing opportunities across their national borders. They were also induced by the opportunities created by the economic and population growth of the developing countries which were exploited through globalization. Companies in developing countries have also found their ways into the developed market through globalization.
4. **Cooperation:** This phenomenon has also been achieved through globalization. This is evidenced in the comprehensive joint development of software and the use of computer technology between IBM and Japan Fujitsu who are known to be archrivals in the information technology industry.

3.0 RESEARCH METHODOLOGY

The study extensively made use of descriptive or the ex post facto research, analytical research methods and review of related literature. The descriptive research was used to describe the state of affairs as they exist at present, while post facto research study was used to discover causes believing that the researcher cannot control the variables, but can only report back what has happened or what is happening.

CONCLUSION AND RECOMMENDATIONS

Essentially, the import of grasping with varying cultural values and methods globally in order to operate efficiently and effectively cannot be overemphasized. Globalization has made trade freer and also has removed other barriers to support business. As a result of technological advancement, companies having global products would prosper in their business by dint of flow of commonality of different languages, beliefs, norms, traditions, tastes and preferences.

Culture is necessarily important in international business, because of the different languages, religion, beliefs, attitudes, and tradition. Any of these elements affect products to be sold. As a consequence, it becomes very necessary for managers to understand and become culturally literate to be accessible across national boundaries. It is worthy to note that diverse cultures can create cultural imperialism. Thus, the desire to master peoples' manner and cultures. However, national culture can be distorted by dint of different beliefs, norms, values, traditions and rituals. This trend therefore calls for adjustments in the changes in different cultures in order to achieve uniformity with its attendant unprecedented goals.

From the foregoing, it is recommended that:

1. Firms must not only be concerned with meeting the product needs of the people, but also focus on the effects of their products on the peoples' tradition and culture.
2. Policies and practices that are not in conformity with national beliefs and values should not be introduced.
3. Managers are expected to seek the advice of respected local elders who are held to a high esteem in the society to foster sustainable business operations in different cultures.

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