

# 4 Difference and diversity

## Reading

- Thinking about what you already know
- Reading in detail and taking notes
- Vocabulary building 1: word families; 2: adjective–noun collocations
- Collecting information for an essay
- Taking notes for essay writing

## Listening and speaking

- Working with colleagues: generating ideas and reporting
- Pronunciation: dividing speech into units

## Writing

- The grammar of reporting verbs
- Comparing and contrasting
- Reporting what you read

## Reading

### 1 Thinking about what you already know

- 1.1 You have been asked to give a ten-minute presentation in a tutorial on the topic *The importance of cultural awareness in international business*. In preparation, you are going to read extracts from a book, *International Business*, which looks at how people behave in business across different cultures.

Before you read, in pairs think of three differences in how people behave in cultures you are familiar with. Discuss how these differences might have an effect on how people from these cultures do business with each other.

### 2 Reading in detail

- 2.1 Read the first extract, *Culture at two levels*, and decide whether the following statements accurately report what the writer says (✓) or not (X). If they are not accurate reports, explain why they are wrong.

- 1 The approaches to looking at culture that are described are old. X  
*The writer says that there are traditionally two different approaches. In this context, 'traditionally' does not mean 'old', but instead the 'usual way of doing things'.*
- 2 Psychic distance measures the differences between two cultures. \_\_\_\_\_
- 3 The institutional level looks at how institutions differ in different countries. \_\_\_\_\_
- 4 All people who were born or grew up in a country share cultural characteristics. \_\_\_\_\_
- 5 It is simple to create national stereotypes. \_\_\_\_\_
- 6 Studies have looked at how the national characteristics of managers and employees influence company performance. \_\_\_\_\_

## International Business

### Culture at two levels

There are traditionally two different approaches to looking at culture:

- The psychic or psychological level, which focuses on the internalized norms, attitudes, and behaviour of individuals from a particular culture (psychic distance is a measure of differences between groups).
- The institutional level, which looks at national (or group) culture embodied in institutions (government, education, and economic institutions as well as business organizations).

In this chapter we will mainly discuss the first, culture as shared psychology, with a brief reference to national institutional differences at the end.

People who are born in, or grew up in, the same country tend to share similar cultural characteristics. Nationality and culture tend to coincide, although nations encompass a wide variety of institutions, religions, beliefs, and patterns of behavior, and distinct subcultures can always be found within individual countries. The only way to make sense of this wide diversity is to characterize distinct cultural groups through simplified national stereotypes.

Many studies have attempted to create these stereotypes by mapping and comparing the shared characteristics of managers and employees in different countries. Researchers then examine the effects of key differences on business behavior, organization, structure, and ultimately the performance of companies from different countries.

The following describes the milestone studies of this kind in the management field.

► Multi-word verbs:  
focus on; look at

G&V 2, p65

**2.2** Read the second extract and match Hofstede's four dimensions of culture (1–4) to the summaries (A–D) which follow.

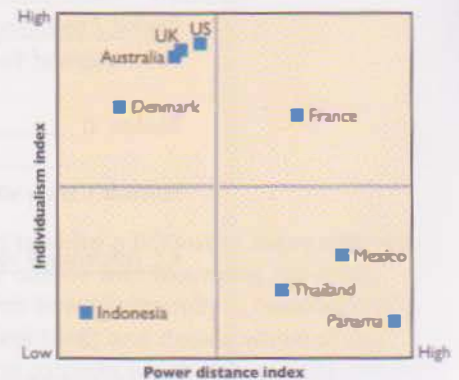
**Hofstede's four dimensions of culture**

Geert Hofstede is a Dutch psychologist who conducted one of the earliest and best-known cultural studies in management, on IBM's operations in 70 countries around the world. Getting answers to 32 statements from over 116,000 questionnaires, he mapped key cultural characteristics of these countries according to four value dimensions:

- 1 **Power distance** is the extent to which a culture accepts that power in organizations is distributed unequally. High power distance equates with steep organizational hierarchies, with more autocratic leadership and less employee participation in decision making (see Figure 5.2 for examples).
- 2 **Uncertainty avoidance** is the degree to which members of society feel uncomfortable with risk and uncertainty. High uncertainty avoidance (Japan, Argentina, France) will be reflected in the high priority placed on rituals, routines, and procedures in organizations and society in general. Countries with low uncertainty avoidance (Denmark, UK, India, US) tend to emphasize flexibility and informality rather than bureaucracy.
- 3 **Individualism** is the extent to which people are supposed to take care of themselves and be emotionally independent from others (see Figure 5.2 for examples).
- 4 **Masculinity** is the value attributed to achievement, assertiveness, and material success (Japan, Mexico, Germany, UK) as opposed to the stereotypical feminine values of relationships, modesty, caring, and the quality of life (Sweden, the Netherlands, Denmark), according to Hofstede.

Figure 5.2 illustrates some of Hofstede's findings using two of the most useful dimensions, power distance against the degree of individualism / collectivism. It reflects some general stereotypes of the countries included, with clear grouping of the UK, Australia, and US as highly individualistic and less hierarchical (small power-distance) cultures against Mexico, Thailand, and Panama at the other extreme.

There are numerous problems with the methodology used by Hofstede in his most famous study, not least because the survey covered employees from just one firm, IBM. IBM's own, strong corporate culture arguably biased the cross-cultural comparisons.



Based on: Figure 5.2 Hofstede's power distance against individualism for 20 countries

Rugman, A. M. & Collinson, S. (2006), *International business* (4th edn). Harlow: Pearson.

**Summary A**

**Hofstede's value dimension**

The tendency of people to look after themselves and their immediate family only

**Summary B**

**Hofstede's value dimension**

The degree to which the dominant values of a society are success, money and material things

**Summary C**

**Hofstede's value dimension**

The extent to which people feel threatened by ambiguous situations and have created institutions and beliefs for minimising or avoiding these uncertainties

**Summary D**

**Hofstede's value dimension**

The degree to which less powerful members of organisations and institutions accept the fact that power is not distributed equally

**2.3** Is your home country shown in the chart in Figure 5.2? If it is, do you agree with where it is positioned? If not, where would you place it?



### 3 Taking notes

3.1 Look at the following reasons for taking notes from written texts. In pairs, decide whether you think each reason is not important (NI), important (I) or very important (VI).

- 1 To help me concentrate on the text \_\_\_\_\_
- 2 To help me understand the content of the text \_\_\_\_\_
- 3 To help me see how the text is organised \_\_\_\_\_
- 4 To help me identify the points that are most relevant to my studies \_\_\_\_\_
- 5 To help me improve my academic writing \_\_\_\_\_
- 6 To help me remember the content of the text \_\_\_\_\_
- 7 To act as a store of information that I can revise from \_\_\_\_\_
- 8 To show me how much I have learned \_\_\_\_\_
- 9 To help me understand new words \_\_\_\_\_
- 10 To record information that I can use in essays and presentations \_\_\_\_\_

3.2 Look again at the extracts in 2.1 and 2.2 and complete the following notes for your presentation on *The importance of cultural awareness in international business*. In pairs, compare your notes.

#### Approaches to looking at culture

Two different approaches:

1) Psychic / psychological level (looks at individuals from particular culture)

2) a \_\_\_\_\_

Psychic / psychological level

Assumptions of this approach: b \_\_\_\_\_

Studies: c \_\_\_\_\_

Hofstede's study was conducted: d \_\_\_\_\_

e.g. Hofstede's 4 value dimensions:

	Characteristics	
	High (+)	Low (-)
1 Power distance = acceptance of unequal power	= e _____	= f _____
2 Uncertainty avoidance = g _____	priority given to rituals, routines, procedures, bureaucracy	= h _____
3 Individualism = i _____	= j _____	take care of others
4 Masculinity = k _____	= l _____	= m _____

Problems with Hofstede's study? n \_\_\_\_\_

3.3 In pairs, decide what other information you would need to look for in further reading to add to your notes for your presentation.

#### 4 Vocabulary building 1: word families

- 4.1 a The following nouns are all used in the extracts in 2.1 and 2.2. Scan the extracts to find other words in the same word family and decide if it is a noun (n), adjective (adj) or adverb (adv).

- |   |                 |                              |
|---|-----------------|------------------------------|
|   |                 | <i>individualism (n)</i>     |
| 1 | individuals (n) | <i>individual (adj)</i>      |
|   |                 | <i>individualistic (adj)</i> |
| 2 | culture (n)     | _____                        |
| 3 | institution (n) | _____                        |
| 4 | hierarchies (n) | _____                        |
| 5 | stereotype (n)  | _____                        |

- b Add other words to complete the word families. Use your dictionary if necessary.

#### 5 Vocabulary building 2: adjective–noun collocations

- 5.1 Complete the following collocations using adjectives from 4.1.

- |   |                      |                |   |       |           |
|---|----------------------|----------------|---|-------|-----------|
| 1 | <u>institutional</u> | environment    | 4 | _____ | image     |
|   |                      | investor       |   |       | role      |
|   |                      | framework      |   |       | view      |
| 2 | _____                | classification | 5 | _____ | diversity |
|   |                      | organisation   |   |       | identity  |
|   |                      | structure      |   |       | tradition |
| 3 | _____                | choice         |   |       |           |
|   |                      | freedom        |   |       |           |
|   |                      | liberty        |   |       |           |

#### 6 Collecting information for an essay

- 6.1 After attending a lecture on biodiversity you were asked to write a 500-word essay with the title *Discuss the benefits to humans of biodiversity, and outline with examples the most important current threats to biodiversity*. As you research how biodiversity is beneficial to humans, you find the following sources. Skim the extracts (A–E) and decide which of the headings (1–4) they relate to. Underline key words in the extracts which give you the answers.

- |               |       |                                   |       |
|---------------|-------|-----------------------------------|-------|
| 1 Health      | _____ | 3 Business and industry           | _____ |
| 2 Agriculture | _____ | 4 Leisure, culture and aesthetics | _____ |

**A** All ecosystems and human societies depend on a healthy and productive natural environment that contains diverse plant and animal species. The earth's biota is composed of an estimated 10 million species of plants, animals, and microbes (Pimm et al. 1995). Although approximately 60% of the world's food supply comes from rice, wheat, and corn (Wilson 1988), as many as 20,000 other plant species have been used by humans as food. Some plants and animals provide humans with essential medicines and other diverse, useful products. For instance, some plants and microbes help to degrade chemical pollutants and organic wastes and recycle nutrients throughout the ecosystem.

Pimentel, D et al. (1997). Economic and environmental benefits of biodiversity, *BioScience*, 47: 747–757.

**B** Biodiversity is an issue of strategic importance for business. Biodiversity supports the world we live in, providing the raw materials and natural assets for many businesses. Many businesses, including amongst others, farming, food processing, retail, brewing and distilling, pharmaceuticals and petrochemicals, derive direct economic benefit from biodiversity and are dependent on biodiversity as a resource. A healthy and stable environment, where biodiversity is used in an efficient and sustainable fashion, is crucial if these businesses are to continue to succeed.

Scottish Diversity Forum (2010). *Why does conserving Biodiversity matter to business?* [www.biodiversityscotland.gov.uk](http://www.biodiversityscotland.gov.uk)



► However; although

G&V 1, p64

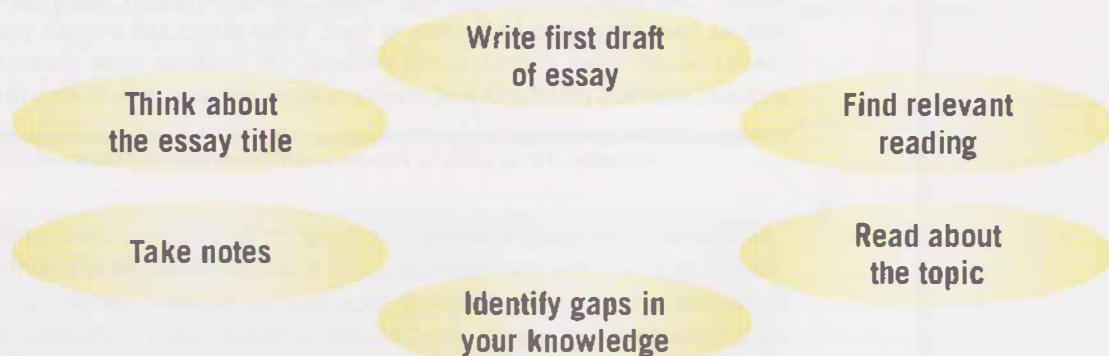
- C** Of the 300,000 or more species of flowering plants, about 12,500 are considered to be edible to humans (Rapoport & Drausal 2001). Around 200 plant species have been domesticated for food. However, at present more than 75% of the food supply (in terms of energy intake) of the human population is obtained, directly or indirectly, from just 12 kinds of plants (bananas/plantains, beans, cassava, maize, millet, potatoes, rice, sorghum, soybean, sugar cane, sweet potatoes, wheat).
- ...
- D** Ecotourism is by definition founded on biodiversity, and has developed into a massive industry. Indeed, tourism as a whole is one of the fastest growing industries in the world. In 1988 an estimated 157–236 million people took part in international ecotourism (i.e. in countries of which they were not national), contributing between US\$93 and US\$233 billion to national incomes (Filion et al. 1994). However, international tourism is also estimated to account for perhaps only 9% of global tourism receipts (the rest is domestic), suggesting that these figures represent only a fraction of the scale and economic impact of ecotourism (Filion et al. 1994). In 1998, an estimated 9 million people went whale-watching alone, with expenditures on just this activity of US\$1 billion (Hoyt 2000).
- ...
- E** As well as providing sustenance, biodiversity plays other vital direct roles in maintaining the health of the human population. Natural products have long been recognized as an important source of therapeutically effective medicines, and more than 60% of the world's human population relies almost entirely on plant medicine for primary health care (Harvey 2000). Of 520 new drugs approved between 1983 and 1994, 39% were natural products or were derived from them.

Gaston, K. J. and Spicer, J. I. (2004). *Biodiversity: an introduction*. Oxford: Wiley/Blackwell.

- 6.2 a** Scan the extracts again and make notes for the first part of the essay *Discuss the benefits to humans of biodiversity ...* Use the four headings in 6.1 to structure your notes. For example:
- Agriculture — 300k plant species: but 12.5k edible,  
200 species for food: 12 (e.g. beans, rice, wheat) > 75% food supply
- b** In pairs, compare your notes. Discuss whether there are any other topics in the extracts that would be relevant to the first part of the essay.
- c** Look back at your notes and identify any gaps. What additional information would you now look for before you start writing the first part of the essay?

## 7 Taking notes for essay writing

- 7.1** Here are some of the stages in writing an essay. Based on your experience of doing the activities in 6.1 and 6.2, draw arrows to show what order they are most likely to come in.



- 7.2** Using your notes in 6.2, write a draft of 200–250 words for the first part of the essay *Discuss the benefits to humans of biodiversity ...*