

# Social And Business Etiquette In China

Cross-Cultural Understanding



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International Inc.

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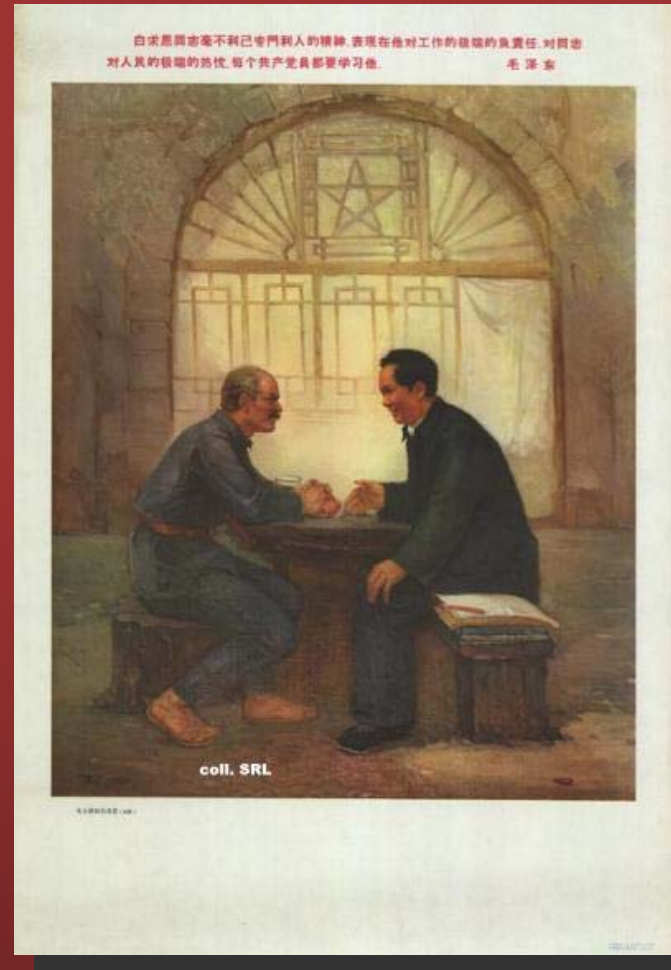
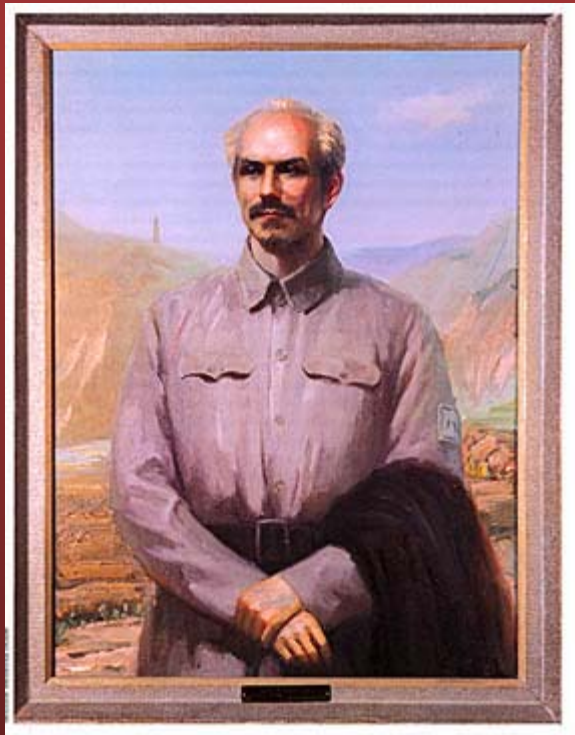
# Do we understand them?

- ◉ Do they understand us?
  - Hardly.
  - Misconceptions
  - Know and understand cultural considerations
- ◉ Let us cover some important aspect which will help us better understand each other.

## Cultural Misunderstanding/Lack of Understanding

- The generally cultural misunderstanding/lack of understanding there has to do with
  - the construct of the social system- obligations versus inherent rights,
  - communal good versus individual liberty,
  - Asian versus Western concepts of rights,
  - Socialist versus what we call Democratic.
- That kind of foundational misunderstanding leads to a lot of misconceived criticism from Western media about Chinese legal practices.

# Who is this man?



# Henry Norman Bethune

- Henry Norman Bethune, MD (March 3, 1890 – November 12, 1939) was a Canadian physician, medical innovator, a member of the Communist Party of Canada, and humanitarian.
- Travelled to Spain (1936-1937) and China (1938-1939) to perform battlefield surgical operations on war casualties.
- Bethune died on November 12, 1939, of blood poisoning.

# GuanXi (*Personal Connections*)

- ◉ Networking – GuanXi
- ◉ You Scratch My Back, I'll Scratch Yours: Introducing GuanXi
  - *it's not what you know; it's who you know.*
  - *Guanxi* is mainly based on trust and the understanding that favors should be returned
- ◉ One's GuanXi bolster a negotiation position better than a mountain of technical information

# Confucianism

- ◉ The ideas and values regarded as Confucian are still of paramount importance when trying to understand Chinese behavior.
- ◉ Confucius (sixth to fifth century BC) wanted a political system where the emphasis was on properly ordered social relationships in society (based on the same relationship within family).

# The Importance of "Face"

- ◉ The concept of “face” roughly translates as “honor”, “good reputation” or “respect”
- ◉ Saying no the Chinese way
- ◉ The Chinese are very concerned about causing anyone (on either side) to lose face (they don't like to use the word no during negotiations)

# Individualism/Collectivism

- In general, the Chinese are a collective society with a need for group affiliation, whether to their family, school, work group, or country.
- **Index (higher numbers = more individualistic cultural values)**  
(Source: *Hofstede 2001.*)  
refers to the preference for behavior that promotes one's self-interest

| Rank       | Country          | Index     |
|------------|------------------|-----------|
| #1         | United States    | 90        |
| #2         | Australia        | 89        |
| #3         | Great Britain    | 80        |
| #4         | Hungary          | 80        |
| #10        | France           | 71        |
| #29        | Japan            | 46        |
| #38        | Greece           | 35        |
| #39        | Philippines      | 32        |
| #41        | Mexico           | 30        |
| #43        | Portugal         | 27        |
| <b>#47</b> | <b>Hong Kong</b> | <b>25</b> |
| #48        | Serbia           | 25        |
| #49        | Chile            | 23        |
| #50        | Bangladesh       | 20        |
| <b>#51</b> | <b>China</b>     | <b>20</b> |
| #52        | Singapore        | 20        |
| <b>#58</b> | <b>Taiwan</b>    | <b>17</b> |
| #62        | Indonesia        | 14        |
| #68        | Guatemala        | 6         |
|            |                  |           |

# Basic Cultural Values/Ways of Thinking

## Summary of Differences - Negotiation styles: North American (Western) – Chinese

- \* Individualism
- \* Egalitarianism
- \* Information - oriented
- \* Focus, foreground, object
- \* Reductionism
- \* Content
- \* The truth

- \* Collectivism
- \* Hierarchy
- \* Relationship-oriented
- \* Big picture, background, environment
- \* Holism
- \* Context
- \* The way - Compromise

# Values

- ❑ ***Very strong values are still attached to***
  - ❑ the Chinese family;
  - ❑ group loyalty;
  - ❑ respect for hierarchy; and
  - ❑ the preference for harmony
- ❑ ***Old ways persist in that:***
  - ❑ the traditional bureaucratic ways continue;
  - ❑ personal ties and obligations are still stressed;
  - ❑ manual workers are often held in low esteem, although not as much as peasants
- ❑ ***The values have weakened but are still present for:***
  - ❑ female subordination;
  - ❑ kinship commitment (people sharing the same surname);
  - ❑ a vague allegiance to individuals from the same city or province.

# Tradition

- Importance of Tradition & History
- Some Chinese who are actually still traditional have adopted modern "foreign" ways when dealing with Westerners - but remain traditional when dealing among themselves
- Although they seem to you as modern or normal in a Western sense, they will immediately notice and appreciate your sensitivity if you follow a traditional practice.

# Importance of History

- The oldest Chinese books date back to almost 1,000 BC,
- China has the longest continuous history and culture of any currently existing nation
- The people are proud, and they possess more awareness of the past than most Westerners.
  - There are many stories and legends in China, some of which occurred a thousand or more years ago, with which any well-educated person is familiar.
  - A tendency to look back on history to gain lessons of value and apply them to the present.

# Behavior In China

- ❑ *Kissing and cuddling*
- ❑ *Jokes are a bad idea*
- ❑ *Good manners mean being humble*
- ❑ *Boasting, giving orders, or being condescending are all bad*
- ❑ *Loud behavior is not a good idea*
- ❑ *Posture is important*
- ❑ *Pointing: It's that-away!*
- ❑ *Clap back if applauded*
- The tipping issue*

## ● *Chinese food*

- Criticism of Chinese food, even mentioning one bad meal you have had, will be taken badly
- Eating is a central part of the culture
- If you are offered something to eat which you find repellent, keep quiet—and do not even think of trying to make a joke about it!

# Banquets

- ❑ ***Banquets are REALLY important***
  - ❑ Banquets play a unique part in doing business in China. They are a means of introducing new people to you, they help to develop your relationship
- ❑ ***Where are the wives?***
- ❑ ***Be careful not to eat too much (more is coming)***
- ◎ ***Business and banquets***
  - ❑ It is best not to raise matters of business at the banquet
- ◎ ***You will have to make a speech***
- ◎ ***You might even have to sing***

# ***“Ganbei”***

- ***“Charge your glasses and drink a toast”***
  - Early in the proceedings, the host will rise and toast the main guest, the delegation, and perhaps Canada
  - There will be several glasses on the table, one reserved for toasts, usually filled with a strong spirit such as *Maotai*, a traditional “wine” going back to 135 BC.
  - Be on your guard
  - If they say *ganbei* (“bottoms up”, where you empty the glass in one swallow) you can get drunk very quickly.

# Food Wonderful Food



# Thank You !



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