

Ambassadorial Cannibalism

Recently I was asked to give a presentation about global cultural differences, with specific reference to international trade to graduate students at a southern university business school. It became quite apparent that whilst these students were very well versed in the art of business dealings, including all the technical, academic, philosophical, social and financial aspects, they were sorely lacking in the area of cultural business dealings.

During the Question & Answer phase of the presentation, students were concerned about the ability of foreign nations to fully understand the methods of business procedures as practiced in the United States. Mostly I got the impression that these students were of the opinion that business methods and practices as recognized in the United States were more or less globally accepted and acceptable. Patently, this is not the case.

Another student, who sat with his feet firmly placed upwards on the seat in front of him, was concerned about the effects of a possible war in Iraq on U.S. business capabilities and how business people from the United States should deal with potential consequent difficulties. This particular student, in his then state of consummate concentration, would neither be accepted nor acceptable in any business transaction that contained any Moslem person. Why? Because, in the Islamic religion to show the soles of one's shoes, or feet, is deeply offensive to them. Needless to say, all feet were hastily planted firmly on the floor.

That is one small glimpse of a cultural "no-no" in global dealings, and a quick reminder that Islam is a world religion, without color or national barrier.

Our world is changing entirely too rapidly for the average business executive to be in a position to maintain a handle on all the aspects and facets of the changes. The U.S. dollar is losing value to the Euro, Yen and Sterling. The European Central Bank recently lowered interest rates by 0.5%. There is a potential world oil crisis looming, tweaked at the edges by many factors including the political unrest in such diverse areas as the Middle East, Venezuela, and the Caucuses.

A VW salon manufactured domestically sells for around 140,000 yuan (approximately \$11,500) in China. That is more than 10 times the average urban wage in China. However, there are plenty of people who can still afford this luxury. Even though the Chinese have a new class of entrepreneur (as well as a new leader) who are not worried about exhibiting conspicuous wealth, the Chinese are still deeply offended by foreigners who display avarice and opulence and outward signs of what could be perceived as extreme wealth.

On a lighter note, if the intrepid traveler who visits Ireland is not prepared to imbibe in a pint of Guinness (which I personally detest) - or at the very least, make shapes at giving the grand old pint an opportunity to reveal its sanctimonious innards,

then the intrepid traveler is open to much speculation that could possible include such inaccurate perceptions as a lack of courage. Just remember, Guinness has nothing to do with courage, but everything to do with a perceived national culture.

The world famous Horse Whisperer, Kelly Monks, who trains business leaders has one simple philosophy 'force never works'. I agree. We cannot, and should not, force our business culture on overseas deal-making. Such a policy will surely doom us, at worst, to an inability to do business, and at best, to being perceived as arrogant.

Because of the rapid changes in the global marketplace presently underway, including our own national economic difficulties, we must surely become more and more aware of the international contingencies at work on a macro level. I am very, very concerned about the various geopolitical situations that threaten our economy, particularly the beginnings of a boycott on U.S. goods and services in certain regions. This new situation, unlike the world boycott of South Africa under apartheid, has the potential to escalate quickly at both random and accordant levels. The use of the Internet to advance such an eventuality is instant and raw in its adaptability and commonality. Any boycott should be seriously considered as a threat to all our exporters.

We have been, and continue to be, highly successful global traders. To sustain, develop and grow that success we must provide our overseas representatives with the practical skills and valuable tools, expertise and knowledge they need to efficiently, professionally, and successfully represent you.

Our overseas representatives, whether or not they are foreign nationals recruited overseas or our own in-house representatives are in essence, national ambassadors for every U.S. global trader. They may not have the plenipotentiary element of governmental ambassadors. They are, nonetheless, national ambassadors and as such, they need to be fully trained in the cultural aspects of the countries they visit. Whilst we scramble to maintain and develop global market share, with our overseas competitors gnawing at our ankles, our success will be measured by our ability to get contracts signed and satisfied clients.

Our overseas competitors, for the next several months, may have an advantage over us in that they are not encumbered by the geopolitical baggage (perceived or otherwise) under which we will struggle. Therefore, our opportunities to cannibalize global markets should be hugely peopled with ambassadorial acumen, knowledge, and skill. This is best achieved through immediate intensive in-house training from senior executive level down to, at the very least, supervisory level.##Ends

0119/03

Ailish M. Nic Phaidin, MPRII©
President & CEO, Partnerships International, Inc.
January 2003