

CHINA ECONOMIC REVIEW'S CHINA ECONOMIC REVIEW'S BUSINESS GUIDE

Business communication with Chinese

Preparation

- Try and work out the management structure of the Chinese organization. Often
 the person with the most impressive title is not the one who makes the
 decisions.
- Carry plenty of business cards to distribute.
- All documentation should be presented in both Chinese and English.
- Language should be kept as straightforward as possible to assist the interpreter.

Using interpreters

- An interpreter will be required at most meetings and their role is central to the success of the negotiations.
- Ideally a member of your staff should be trained up as he/she will understand the nature of the business under discussion.
- An interpreter's understanding of local dialects (i.e. Shanghaiese) is vital for accurate comprehension.
- Before the meeting, check that your interpreter can translate technical or business related words, as well as any numbers which may be mentioned
- All documentation should be available to the interpreter.
- Agree on signals the interpreter can use to let you know if he/she cannot follow what you are saying.



- The process will be slow with an interpreter, so be patient. Take breaks often, as this will allow the interpreter to fully brief any additional remarks made during the conversation.
- If your interpreter's sentences are consistently shorter than yours, take a break to check they fully understand what you are saying.
- If your party includes other Chinese members, do not make your interpreter lose face by having the other members openly question their translation, except in moments of serious confusion.
- Attempt to make eye contact through the interpretation process.

Gift giving

Corporate gift giving is an expected part of the Chinese business scene. Make
sure the gifts take the form of objects and not money. Items like pens or a book
from your native country. All gifts should be wrapped, but do not expect them
to be unwrapped in your presence.

Source: The China Business Handbook, Alain Charles Publishing 2005.

Source: "The Chinese Negotiation," Harvard Business Review, Vol. 81, No. 10, October 2003.



Business Culture in China

China is an ethnically and culturally diverse country. Its dominant cultural tradition has been heavily influenced by Confucianism and Taoism, but within that tradition are



many different subcultures. The spoken language also varies greatly from region to region. Without special study of Cantonese, for example, someone from Beijing cannot understand residents of Guangdong or neighboring Hong Kong. Other regional languages and subcultures are also quite distinct. A Shanghaiese, for instance, will likely encounter difficulties doing business with someone from the northeast, particularly if he or she has not prepared for different business practices in that part of China.

Similar cultural tradition, varied business practices

Most Chinese people attach great importance to cultivating, maintaining, and developing connections (guanxi) and are highly sensitive to face (mianzi) These social values, which are the keys for understanding Chinese social behavioral patterns and their business dynamics, are shared by Chinese living not only in the PRC but also by those living in Taiwan, Hong Kong and in overseas Chinese societies all over the world.

Nevertheless, throughout history, Chinese business people from different regions have exhibited distinct characteristics. More recently, these distinctions have reemerged or evolved into features that have differentiated one region's business people from another's and even contributed to the formation of unique competitive advantages.

This article intends to describe, in general terms, the different styles of business people from a few key areas of China. Of course, generalizations of this kind risk oversimplifying the situation and tend to highlight the more extreme stereotypes of a given group. Also, China's big cities, like commercial and political capitals around the world, attract people from all over the country, so the people one meets in Shanghai, for example, may not, in fact, be from the area. Nevertheless, in the same way that native Californians are considered easy-going and New Yorkers known as loud, aggressive, and business-savvy, natives of Chinese regions share characteristics of which many foreigners may be unaware that affect how they do business.

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