



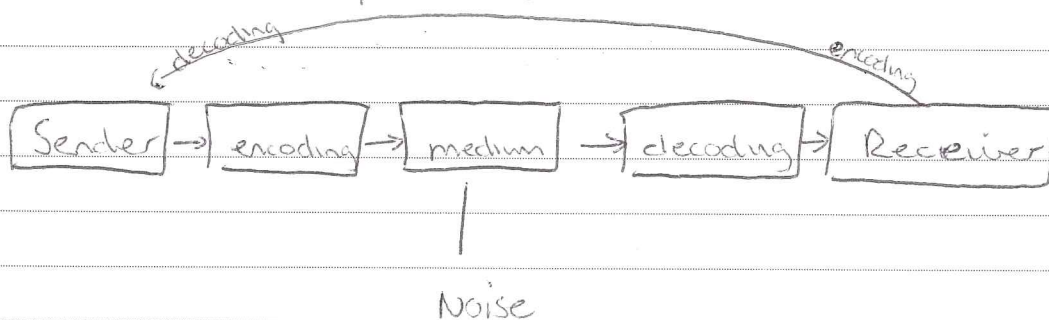
Question 1

A) First of all, I would like to talk about communication and its process before defining and discussing high/low-context cultures.

Communication is where words, thoughts and feelings are exchanged between two or more people.

Communication can be verbal or nonverbal. With verbal, it can be written down or spoken explicitly, and as to nonverbal, it can be body-language, facial expressions or it can even be through artifacts.

Culture is involved in every aspect of communication, and therefore, it is imperative that careful encoding, careful selection of transmission, careful decoding and careful feedback are done. This is known as the communication process (model below).



with noise, it can be anything from background noises to how a person communicates. Noise is the obstacle of the process of communication.

And with the case of India and Germany's Mercedes, there can be issues in the communication because



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culture, as they can be seen as synonyms.
One of the issues is the context in communication. High-context communication is where words are rather absent and body language and facial expression more present. In other words, high context is more focused on the implicit communication and indirect communication. This can also be correlated to collectivism as India scores rather high there. The reason is that high-context cultures rely on the implicit interpretation, and collectivist cultures are seemingly more gathered, or in-groups which ~~creates~~ facilitates the implicit communication.
On the other hand, low-context is the exact opposite of low-context. Words are sent explicitly and the communication is more direct.
And with respect to the model on previous page, the checking stage is crucial with high-context communication, or else there will be miscommunication. Receiver will assume something else, and react wrongly. For instance, Japanese don't have a word for "no", instead they say just nod. ~~or~~ this can be difficult for low-context culture to interpret.



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Question 1

B) Negotiations is the process of discussions where the main goal is joint gains. Inter-cultural negotiations is when it occurs between two cultures. The process is first preparation, relationship building, information exchange, persuasion and concessions and agreements.

1) Preparation

This is where you'd gather all relevant information on who is involved, their status, what their demands are, where the negotiations will take place, etc. Also important in this phase is to have cultural profile of the customer or at least cultural awareness.

2) Relationship building

The main goal here is to build mutual trust. This can be informal meetings such as dinner. Time spent will vary where for example for East value relationships and will spend much time here ~~and~~ and the U.S are more time-aware and want to get right to the case.

3) Info exchange.

Parties make presentations with opportunity to ask questions. As mentioned, Americans are more direct, get right to the case while, for instance Chinese delve into small details.

4) Persuasions

Informal part is over and this is where negotiations will occur. Different tactics used, like threats, promises, deception, etc. Culture vital in this part (more on this later). Parties will try to gain more, giveless.



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Question 1

B) continued

5) Concessions

Agreements are made. If not, Batna. How it is legalized depends on culture. Example: ~~is~~ West appreciates legal contracts, while Japanese find it insulting, time-wasting, valuing mutual trust more.

c) Differences here can take place pretty much in every phase, ~~not~~ but most crucial is during persuasions. Research shows the High power distance are likely to use ~~for~~ their status for persuasion, or Batna. They will also use threats and such to intimidate, which in this case is India. There are differences in degree of individualism as well, where individualists (Germany) will rather wait for better deals to accept and not the sub-optimal, the collectivist (India) accepts what's best for the collective. High uncertainty avoidance (Germany) will avoid risky opportunities unlike India. The level of context is important as well. ~~Low~~ Low-context Germany are direct, will cut right to the case, express feelings, confrontational, tell straight out of their demands. ~~Less~~ high ^{Indic}-context will/can choose to avoid if they disagree with Germans, not directly say no.



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Question 7

D)

The implications for the outcome will be that the negotiations will not run smoothly because the level of context of the Indians. There have been empirical tests showing that in order for both parties to reach joint gains, direct communication methods must be ~~as~~ used. BATNA, which is the best alternative when agreements can't be done, will be presented. Because it is better to have an agreement than no agreement.



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Question 2

A) Leadership is the ability to lead and motivate others. It can depend on the content and context of the leader where context is ~~some~~ surrounding variables (Political, economical, cultural, location etc) and content (attributes).

Chaco = Autocratic based on data, where performance key role. Henegs = Participative, all have rules to comply

Difference in the two leaders can be in way they motivate their subordinates. George England found meaning of work and this can further help leaders to develop plans to motivate subordinates.

Now: Needed Income

Interest and satisfaction

Contact with people

Way to serve society

having something to do

Status prestige.

Now \leftrightarrow needs \rightarrow motivation \rightarrow behavior

↓
implied
motivations
↑

But of course this is culturally contingent. We can look at Hofstede's dimensions and interpret in terms of India and Germany.

Motivation through:

Power distance: High (India) - ~~relationship~~ relationship with superiors. Acknowledgment is the key

Low (Germ) - Relationship between coworkers

Individualism: High (Germ) - personal goals, autonomy

Low (India) - group goals, opportunity to help

Masculinity: High (Both rather high) - More traditional roles in the workplace

Uncertainty avoidance: High (Germ) - Job security, no risky deals

Low (India) - Risky opportunities - High return



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Question 2

B)

Based on GLOBE study, universal characteristics of a good leader are:

Positive

Trustworthy

Encouraging

Team-builder

Effective bargainer

Skilled communicator

Negative:

uncooperative

egocentric

ruthless

dictatorial.

Attributes that are culturally contingent can be the charisma of the leader. Some would rather want a leader who is dull and uncharismatic and some charismatic. We also have the leadership in shame, where Japanese leader broke down and cried on national TV, while Martha Stewart refused to show shame. Other attributes that are contingent are for instance the level of authority. Example of this is Russia. They would rather want an autocratic leader to tell them what to do, so ~~is~~ there was confusion when American leader came to lead.



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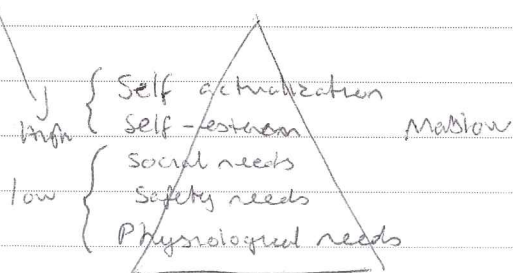
C) Employees would rather want a leader whose attributes are recognizable in terms of leading. Clearly, Honess as a leader proved to fail after ~~entering~~ moving back only after two years as the CEO. Chacko has been at VW Group since 1978 and from India as well. He knows company culture and Host country culture as well. So most definitely, Chacko would be preferable.

D)

~~First~~ I have already discussed this in part A), but environmental factors that can influence the leadership style → motivation are: Political, economical, societal, culture, language, place, etc.

- For example the economical factor. If the ~~country~~ country is very wealthy, then needed income wouldn't be as highly prioritized as in a poor country. ~~with the societal part,~~ ~~the~~ some countries work to live and others live to work. Since India is a poor country, needed income might be factor that is highest prioritized and therefore they would work to live, ~~or~~ or in order to live/survive.

And the political part: India is not ruled by a dictator, nor is it oppressed. They are free to work and free to choose.





Question 4

A) Dual allegiance is found in the adjustment phase of the expatriate process. The process is as following: 1) selecting expatriate, 2) Preparations, 3) adjusting, 4) expatriate failure, 5) Repatriate.

Adjustment is the psychological comfort, ~~in~~ in this case after moving to India. What needs to be adjusted are the environment, society (~~the~~ the people), and the workplace. ~~How~~ How well you will adjust can be expressed as following



The ending of Honegg and Aulbur was quite different. While Aulbur settled in India and got married, Honegg gave up and moved back. A good way to develop a ~~fine~~ well-functioning leader is through the four T's: Travel, training, transfer and trial (?). It seems that Aulbur has done more of this than Honegg. So while Aulbur had dual allegiance, it seems that Honegg had his heart at home

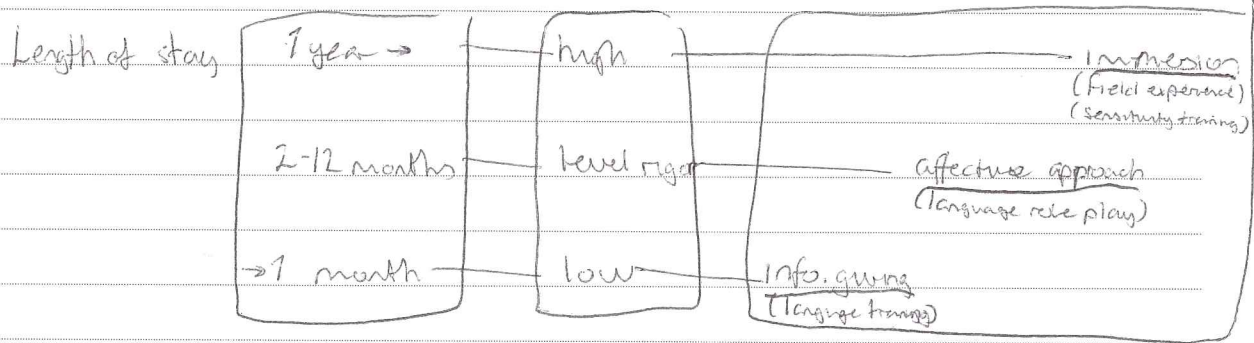
~~then~~



Question 3

b) Expatriation success is when the expatriate has successfully settled and integrated with the host country. Factors that can determine whether it will be a success or failure are: motivational state, language, family, mentality, willingness to go, etc. Because when selecting expatriates, they look at the intellectual capital, psychological ~~capital~~ and the social capital. This means that you will need to have technical skills, willingness to go, desire to learn, and social competence to socialize with people that can be seen as different.

In order for success, one needs proper training, a cross-cultural training to ease culture-shock, etc.



With success, you get 1) managerial skills, not technical, tolerance for ambiguity, multiple perspectives and ability to work with others.

Failures can be due to:

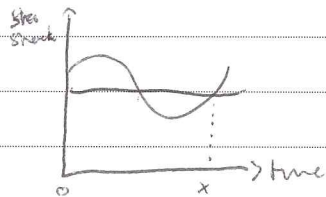
- ability to adapt by expatriate or the spouse
- motivational state, lack of training
- language
- family - child's education, spouse resistent adjustment.

Although Honegg is an Asian specialist, there are differences when going in to India. As mentioned earlier, Aulbur has experience with Mercedes-Benz India back in the 80's. This can be the main



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reason for why he succeeded and Honegg not. Aulbu's ability to adapt ~~as~~ had been facilitated by lessening the culture-shock ~~and~~ after having been with Benz India.



~~With~~ With Honegg, he started at zero, while Aulbu for instance started at x ~~at~~ when appointed CEO in 2005. Another reason might be that Aulbu's success can be due to finding his wife, making his life easier to cope with in India. Because a big issue of expatriates is the spouse and his/her ~~&~~ ability to adapt. This wouldn't be any problem for Aulbu, since wife is from India.