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BEAR MEETS DRAGON  
COOPERATION BETWEEN THE COMPANIES FROM PORI  
REGION AND PEOPLE'S REPUBLIC OF CHINA

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## KARHU KOHTAA LOHIKÄÄRMEEN – YRITYSYHTEISTYÖ PORIN SEUDUN YRITYSTEN JA KIINAN KANSANTASAVALLAN VÄLILLÄ

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Opinnäytetyön tarkoituksena oli tutkia kulttuurien välistä viestintää ja yhteistyötä Porin seudun ja kiinalaisten yritysten välillä. Satakunta ja Satakunnan ammattikorkeakoulu ovat allekirjoittaneet yhteistyösopimukset Changzhoun kaupungin ja Changzhoun yliopiston kanssa. Changzhoussa ja sen lähikaupungeissa on paljon satakuntalaisia toimijoita, kuten myös muualla Kiinassa. Tietoa on siis paljon. Tätä tietoa ei kuitenkaan ole kerätty yhteen, eikä jaettu muille.

Opinnäytetyön tavoitteena oli, että tämä tieto koottaisiin yhteen, jolloin opinnäytetyöstä olisi hyötyä niille, jotka aloittelevat tai suunnittelevat aloittavansa Kiina-yhteistyön.

Opinnäytetyö on osa Bear Meets Dragon – projektia, johon kuuluu myös kolme muuta opinnäytetyötä. Muihin opinnäytetöihin on haastateltu Pohjois-Satakunnan, Etelä-Satakunnan ja Huittisten alueen yrityksiä sekä Satakunnan koulutuslaitoksia ja muita organisaatioita. Changzhoun alueella tutkimus tehdään yhteistyössä Changzhoun yliopiston kanssa. Projektin tuloksia esitellään Shanghaiin maailmannäyttelyssä 2010.

Opinnäytetyö painottuu kulttuurien väliseen viestintään ja yleisempiin ongelmiin, joita suomalaisten ja kiinalaisten välisessä yhteistyössä ilmenee. Tutkimukseen osallistui viisi Porin seudulla toimivaa yritystä, joissa tehtiin avoin haastattelu. Haastattelut on analysoitu opinnäytetyön viimeisessä kappaleessa.

Tutkimuksessa selvisi, että suurimpia haasteita kulttuurien väliselle yhteistyölle tuotti kommunikointi. Suomalaiset tunsivat, että kiinalaiset ovat sanonnoissaan pidättyväisiä ja yksimielisyyden syntymisestä ei aina ole varmuutta. Etenkin kielteisen vastauksen antaminen on kulttuuriin sopimatonta ja harvinaista toisin kuin täällä on totuttu.

Vaikka haasteita tuntui löytyvän, niin kaikki haastateltavat ovat tulevaisuudessa jatkamassa yhteistyötä kiinalaisten yritysten kanssa. Yhteistyö nähtiin hyödyllisenä ja kannattavana ja tulevaisuuden näkymät erinomaisina. Menestyvä yhteistyö vaatii kuitenkin paljon kärsivällisyyttä, aikaa ja sitoutumista.

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The purpose of this thesis was to research the cross-cultural communication and cooperation between the companies from Pori region and Chinese. Satakunta region and Satakunta University of Applied Sciences have signed cooperation agreements with the city of Changzhou and Changzhou University. In Changzhou and in the neighbouring cities there are many operators from Satakunta like in elsewhere in People’s Republic of China. There is lot of information in companies in Pori region. This information has not been collected together neither shared for others.

The aim of this thesis was to collect that information together and the companies that are starting or planning to start the China operations could benefit of this thesis.

The thesis is part of Bear Meets Dragon – project. Three other theses belong to the same project as well. In those theses the companies from North Satakunta, East Satakunta and Huittinen region have been interviewed. The educational- and other organizations from Satakunta have been interviewed in one thesis. In Changzhou region the research is made cooperation with the Changzhou University. The results of the research will be presented in Shanghai World Exposition 2010.

The focus of this thesis is on cross-cultural communication and on the most common problems that appears in the cooperation between the Chinese and the Finns. Five companies from Pori region participate in this research and open interview were made in those companies. The interviews have been analyzed in the last chapter of this thesis.

According to the research the biggest challenge for cross-cultural cooperation was communication. The Finns felt that the Chinese are reserved in their expressions and there is not always the security of the mutual agreement. Especially giving a negative answer is in their culture unsuitable and seldom unlike in here is used to.

Though there are many challenges, all the companies interviewed will continue the cooperation with the Chinese in the future. The cooperation was seen profitable and the prospects were seen excellent. Successful cooperation requires lot of patience, time and commitment.

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## 1 INTRODUCTION

When a business man Marco Polo returned home to Venice from China, he had a lot of stories to tell about. He got a nickname “Marco of the millions” because people thought he told lies when he was talking about his journeys. Polo said “I do not tell half of what I saw because no one would have believed me”. (Berghout 2003, 69.)

This is what happens sometimes still nowadays when people are talking about People’s Republic of China (China). The culture is so different than ours that it causes lot of misunderstandings and problems.

The main focus of this thesis is in the cross-cultural communication and the problems in communication between the Chinese and the Finns. When there are two totally different countries like China and Finland there have to be differences and also some difficulties to communicate and do business. The opinions and experiences from experts will be heard in this thesis.

There are lot of experience about China and cooperation with the Chinese in the companies in Pori region. This information will be now collected with open interviews and the results will be analyzed. The aim of this thesis is that in future the companies that are starting or planning to start the cooperation with the Chinese could be better prepared and they could have as much information as possible.

At first in this thesis will be explained the Finnish and the Chinese cultures and business cultures. The elements of the cultures in general and cultural dimensions belong to the start. The third chapter is about the modes of the cooperation. There are many options how to enter to the Chinese market or how to start the cooperation. The fourth chapter is about the research methods. And finally in the last chapter there are background of the research and the results. Five companies are interviewed for this thesis and the results will be analyzed in the last chapter.

## 2 CULTURAL AND BUSINESS CULTURAL DIFFERENCES BETWEEN CHINA AND FINLAND

There are many cultural and business cultural differences between China and Finland. Most commonly these come out in business meetings, banquets or in any kind of business trips when is travelled to another country. That is why it would help a lot if the negotiators were prepared to the differences and were aware of another culture and business culture. The cultural categories used in this chapter come from the doctoral study which is used as background material and sort of starting point and thus facilitates comparison.

### 2.1 Culture

Culture is a set of learned core values, beliefs, knowledge, standards, laws, morals and behaviours shared by individuals and societies. Culture determines the acts, feelings and views of individuals. A society's culture is passed from generation to generation. (Mitchell 1999, 4.) Adapting to circumstances and transmitting skills and knowledge is the mission of the peoples to continue their cultures. Culture affects to people and determines who they are. Culture is the driving force behind the human behaviour. (Moran, Harris & Moran 2007, 6.)

### 2.2 Elements of Culture

The elements of culture according to Terpstra and Sarathy (1994, 99) are material culture, language, aesthetics, education, religion, attitudes and values, social organization and political life. This model has been chosen to use because it includes language and political life as parts of culture. This theory is also used in Anne Vihakara's doctoral thesis which is the base of this research. Using the same theory makes easier to evaluate the differences between the results of the researches. The theme is basically same but in this thesis all the interviews are collected from Pori region and the main focus is in cross-cultural communication. Other model of cul-

tural research used in this thesis is Hofstede & Hofstede (2005, 13-14) cultural dimensions. The dimensions are power distance, individualism vs. collectivism, masculinity vs. femininity, and uncertainty avoidance.

### 2.2.1 Material Culture and Aesthetics

Material culture includes the material or physical things. Technology helps to create, use and design those things. Technology and material cultures are closely related to each other. The culture is different whether the country is in a computer age or a pencil and paper calculation age. The way we consume and what we consume is a big part of the material culture. Car and television have a huge influence to people's lives. With a car people can come from the suburban areas to the centre and can travel to other cities easier. Television affects people's consumer behaviour by advertising some products and even the way of living. (Terpstra et al. 1994, 99-100.)

Aesthetics includes what people consider as beauty and good taste. The kind of art, music, dance and drama they like. It consists also the way they appreciate some colours and forms. In the most cases the aesthetics are more regional than national. For example in music, Western popular music is popular almost in all Western countries but the music in China is totally different as well as the dance styles. The aesthetics is not so important part of culture but sometimes it is very useful to know what other people consider beautiful. Like in business presents it is good to know what colours are better than others in packaging for example. (Terpstra et al. 1994, 106.)

### 2.2.2 Language and Education

The most visible difference between the cultures is definitely the language. When planning a career in international business almost everybody has to learn a foreign language. Most common language in international business is English. French and Spanish are the next most used languages. Language is an important part of the culture. When studying other culture, learning the language helps a lot. (Terpstra et al. 1994, 102-104.)



There are cultural differences in a single country if there is more than one language. Like in Canada English speakers and French speakers have different cultural backgrounds. Both in China and in Finland there are more than one language. In Finland there are two official languages Finnish and Swedish. From the Finnish population 93,4 % spoke Finnish and 5,6 % spoke Swedish as a mother tongue in 2007. In China there are more varieties of the languages. There are eight major dialects in 2000. Mandarin (Putonghua based on Beijing dialect), Yue (Cantonese), Wu (Shanghainese), Minbei (Fuzhou) and Minnan (Hokkien-Taiwanese) in addition of Xiang, Gan and Hakka dialects. (CIA World Factbook, 2010.)

Education includes not only the school but also the process of transmitting skills, ideas and attitudes. People are educated to the culture they are living. Education is a wide concept. Also the promotion of the communist culture in China is part of education. But the only way to gather the data from the education is from the education in schools. Literacy rates are also used to describe the education level. (Terpstra et al. 1994, 109.) In the year 2000 the literacy rate in Finland was 100% and in China it was 90,9% (CIA World Factbook, 2010).

### 2.2.3 Religion, Attitudes and Values

Religion is the best way to explain the behaviour of people. For international companies the most important information is how people consume and buy products or services or how they manage or work. In addition why they behave like they do. (Terpstra et al. 1994, 111.)

In Finland the main religion is Lutheran in which belong 82,5% of the Finnish population in 2006. People who have no religion is 15, 1% of the population. Others are Orthodox or other Christians. China is officially an atheist country in 2002. The most popular religions in China are Daoist (Taoist), Buddhist, Christian and Muslim. (CIA World Factbook, 2010.)

Things, that people think are right, wrong, desirable, or appropriate, depend on attitudes and values. It is important to know other culture's attitudes and values when

promoting a new product to a foreign market. When a company knows the values and attitudes of the host country people it is easier to manufacture or modify a product that they need. Sometimes the firms want to change the attitudes of the consumers but a lot of easier is to adapt them and manufacture products according to these existing attitudes. (Terpstra et. al. 1994, 119-120.)

#### 2.2.4 Social Organization and Political Life

The way people relate to other people is called social organization. The kinship is the base of social organization. Some countries the family is the social organization and for example in United States it consists only of mother and father and the unmarried children in the household. Elsewhere the family is often larger and includes more relatives. In many less developed countries the social organization includes also extended family. Mutual protection, support and a kind of social security and economic insurance are things that the members of the extended family offer to each other. In many countries in Asia and Africa the social organization is the whole tribe. In developed countries the social organization can be neighbourhood, the suburb, or the city. Social organization can be also the special-interest group like the people who have the same religion, occupation or political interest. In some countries there are still caste or class groupings that constitute the social organization. (Terpstra et al. 1994, 120-121.)

All the national and international factors that can affect the operations of the country belong to the political environment. The host-country environment, the international environment and the home-country environment are the dimensions of the political environment. Host-country national interest includes the national goals and many countries also have many common objectives. Citizens' feelings about the home country and its interests are called nationalism and patriotism. There are many things that the host-country controls. The host-country can set entry restrictions and control the prices, quotas, tariffs and exchange. The host-country can also control foreign firms and even expropriate them in the worst case. The international political environment means the political relations between two or more countries. Relationship with the firm's home country is one aspect of a country's international relations and

the other aspect is the host country's relations with other nations. International relations can also include the membership in international organizations. Home-country environment can include the international operations as well as its domestic operations. (Terpstra et al. 1994, 133-138.)

### 2.3 Cultural Dimensions

The IBM employees in the same positions but in different countries have been interviewed. There are four main dimensions that have been researched. (Hofstede & Hofstede 2005, 24.)

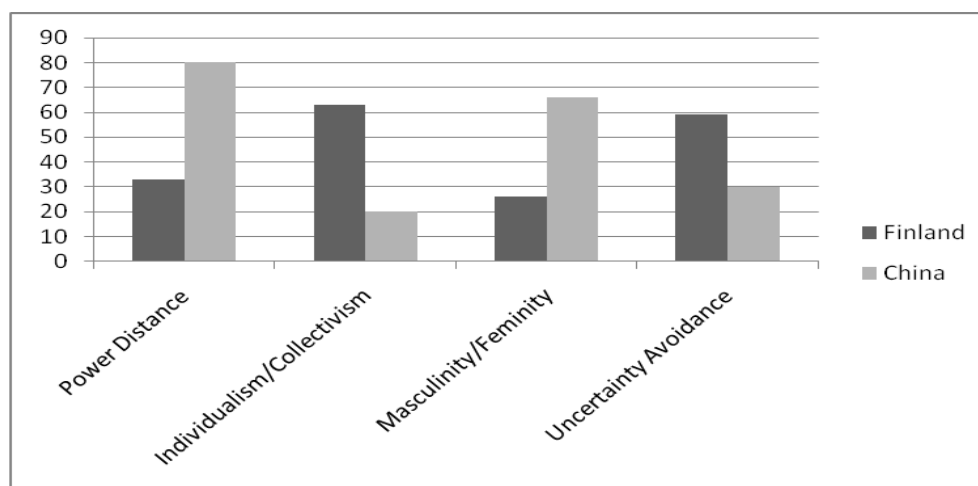


Figure 1. Cultural dimensions. Scores that China and Finland have got.

Power distance answers the simple question of how to handle the fact that people are unequal. From the employees have been asked questions like how much they are afraid to express disagreement with their managers, and what kind of is their boss decision making style. Their boss might take their opinion into consideration or not. In small power distance countries the employees are not so dependent on their boss. There is interdependence between boss and subordinate. The emotional distance is then small. The subordinates can quite easily approach and contact their boss. In large power distance countries the subordinates are more dependent on their boss. The emotional distance is large between the subordinate and the boss. The subordinates can not easily approach and contact their boss. In China the power distance is high it got score 80 while in Finland it is quite low when it got score 33. (Hofstede et al. 2005, 41-46.)

Individualism versus collectivism means the role of the individual versus the role of the group. Collectivism means that the interest of group prevails over the interest of the individual. And the individualism is opposite. The interest of individual prevails over the interest of the group. The Chinese are more collectivist and the Finns are more individuals. In the individualism index Finland got score 63 while China got score 20. (Hofstede et al. 2005, 74-79.)

Masculinity versus femininity is the third dimension. In masculine cultures things that are important are earnings, recognition, advancement and challenge. Good working relationship with the manager, cooperation, desirable living area, and employment security are important in femininity cultures. In societies where the gender roles are clearly distinct the masculinity is higher. In societies where the gender roles overlap the femininity is higher. China is more masculine country than Finland. China got score 66 while Finland got score 26. (Hofstede et al. 2005, 81-84.)

We do not know what happens tomorrow but we have to live with that uncertainty. The information how well people can manage that uncertainty is gathered with the uncertainty avoidance index. The questions considered job stress, intent to stay long-term career and rule orientation. The uncertainty avoidance can be said to be the extent to which the culture members feel threatened by uncertain or unknown situations. The Finns' uncertainty avoidance is higher (59) than the Chinese's (30). (Hofstede et al. 2005, 164-170.)

## 2.4 Business Culture

Culture influences to business in many ways. Culture determines what principles are important to us and how strategy is made. Also what structures are created and who are employed. Culture affects to our networks. It determines the communicators that we value and the relationship that we build and how we manage others. Culture has influence to the skills we develop and the processes we use as well. Culture affect to our philosophies and social responsibility. (Gore 2007, 27.)

### 2.4.1 Meetings

Chinese people usually start the meeting with a small talk (Bucknall 2002, 82). Finnish people can go straight to business after the hands shake (Swallow 2008, 227). Young people in business life in Finland appreciate more small talk and they are seeing it necessary in order to build up good relations. Especially with guest from cultures which place more importance on non-task related communication. (Davidsson, McKee & Sarkki 2001, 29.)

In western countries people usually make and seek eye contact when negotiating. This is polite in the West but the Chinese can feel it aggressive or challenging. Traditionally it is bad manners to gaze into the eyes if you do not know the person before. On introduction the Chinese do not usually look straight to the eyes. But if a person has a habit to look away from the talking person, like look out of the window, and if he/she do this to familiar person it is impolite. The other person might feel that you think he/she is a stranger and this creates the atmosphere of the mistrust. (Bucknall 2002, 33.)

In Finland some people also avoid the eye contact and the reason is usually shyness. Anyway this is not very common because in Finland the people are taught to look in the eye. It belongs to the good manners to do so. (Leney 2005, 152.)

### 2.4.2 Gift Giving

Gift giving is an important part of the Chinese culture. It helps to build networks and friendship relations. People usually exchange gifts personally but also business gifts are very common. Gifts should be packaged or wrapped in a paper but never in a white paper because it is symbol of the death. The safest colours are red and gold. It is polite to decline a gift two or three times before accept it. The Chinese think that when you receive a gift you should also give a gift in return. The expensive gifts are not suggested because those might be seen as bribery. The Chinese do not open the gifts as soon as they have received them. Still they can be insisted to open the gifts. (De Mente 2008, 79-82.)

There are some things that should be taken in to consideration when choosing a good gift to the Chinese. White colour in generally is not a good choice (not even in flowers) because it is a symbol of death. (De Mente 2008, 79-82.) The umbrellas should be avoided because the Chinese word for umbrella sounds the same than the word for separation. Knives and scissors are not good either because those are the symbol of severance of a relationship. Some colours are also bad choices. You should never give a green hat to the Chinese because many Chinese believes that when a man wears a green hat, it means that his wife or girlfriend has been cheating on him. (Dresser 2005, 63, 96.)

A mixture of blue and white or blue and yellow can be suggested as a death. Clock is one thing that should not be given to the Chinese because it is associated to the death reminding us that our life is passing. When going to a business trip in China either a large gift to the group or institution or a small gift that is given to individual members of the Chinese team can be chosen. When giving smaller gifts those have to be similar to each member. Usually gifts are something that typifies your own country. When giving a book it is polite that your chairman has inscribed it. (Bucknall 2002, 19, 137-139.) For example book of your country with pictures is a good gift. Individual gifts should be small and modest value. Pencil sets, calculators, lighters, inexpensive digital watches or leather folders are good gifts and the company logo should be on those so that the gifts are mementos. ( Seligman 1999, 172-175.)

In Finland when a guest is invited to home it is polite to bring some flowers or a bottle of wine. (Swallow 2008, 107.) The business gifts are usually small and should not be seen as a bribe (Snyder & Anikari 1999, 15). Gifts that have something to do with the company or Finland are very common (Davidsson et al. 2001, 27).

### 2.4.3 Banquet

Banquets are a unique part of the Chinese way to do business. In banquets new people can be introduced to each other, existed relationships can be developed or people can celebrate an event like conclusion of the deal. Usually guests are invited to a popular local restaurant about 6 or 7 p.m. and the banquet lasts for about two hours.

Guest should be on time and the food will be served shortly after people have arrived. (Bucknall 2002, 157.)

Traditional Chinese banquet do not come in individual portions. They are served on communal plate or portions settled in the middle of the table. Usually the host order the food. The host might order one dish per person which means that the whole meal can consists one or two cold appetizers, eight to ten entrée dishes and one or two desserts. (De Mente 2008, 75-76.)

The sitting order in the Chinese style of banquet is very important. Fortunately they usually show you the right place to sit or there might be cards at the each place to show who should sit there. Round tables are the rule in China. Most often there is also a lazy Susan, which is a circular rotating tray in the tables, which is easy to roll and take the course wanted. The Westerners should learn to use chopsticks because the Chinese appreciate that. Still a fork can be asked from the most of the restaurants. Knife is useless because everything has been cut to the small pieces. Seldom a knife can even been seen in a Chinese table because it is considered as a weapon. The last course is usually fruits. One important thing is to remember that little food should always be leaved on the plate for a sign of fullness. If the plate is cleaned every time someone keeps on offering more food. In China the banquet is over after the final dessert. There is no tradition of lingering after the meal. Usually the host says something like it was nice to meet you or you might be tired. It is a sign of the end of the banquet. (Seligman 1999, 136-157.)

In Finnish business life the long lunches are rarity (Davidsson et al. 2001, 28). Anyway the business men or women could be invited to stay for lunch in a company's restaurant. Alcohol is not served in business lunches. The Finnish lunch is often light so that people can manage also the rest of the work day. In a company's restaurant people usually clear away their dirty plates and leave the table clean for the next users. (Swallow 2008, 230.)

In the evening sometimes the visitors have been invited to the restaurant or the company lodge. The Finnish appreciate good table manners and it is impolite to start to eat before everyone has been served unless ask the permission from the others. The

guest might be also invited to the sauna and it is polite to accept the invitation but not a must. (Davisson et al. 2001, 28-29.)

## 2.5 Negotiation Style

There are set of elements that support the Chinese negotiation style. Westerners thinks those are mysterious and confusing but if ignore them the deal can easily fall apart. (Graham & Lam 2004, 38.)

The first element is quanxi which means personal connections. The Chinese appreciate individual's social capital within their group of friends, relatives and close associates. Usually the person with the best quanxi wins. Good quanxi is a strict system of reciprocity; the Chinese call that hui bao. Favours are always remembered and returned but there is no hurry. It does not have to happen immediately. If someone forgets favours and fails on loyalty, the future businesses are poisoned. (Graham et al. 2004, 39-40.)

The second element is called Zhongjian Ren and it means the intermediary. The Chinese people do not trust anyone when they meet at the first time. That is why it might be easier to getting known each other when there is the intermediary present. The intermediary also helps Western to understand the Chinese way of negotiating and can read and explain the moods, intonations and body language of the Chinese negotiators. (Graham et al. 2004, 40-42.)

The third element is Shehui Dengji, social status in English. It might be sometimes hard to understand the formality of the Chinese negotiators. The Chinese appreciate the age and the power. There should be sent CEO or other powerful persons and the deal can be made easier. (Graham et al. 2004,42-43.)

The fourth element is renji hexie, interpersonal harmony. Respect and responsibility are the glue for hierarchical relationship but interpersonal harmony hold relationships of equals together. For the Chinese negotiators it is important to spend time together also outside the negotiation room. They usually offer a dinner at the restaurants or



take you to sing karaoke and you should be there because if you only met in negotiations you do not have a sufficient renji hexie and doing business is very hard with the Chinese. Generally trust and harmony are much more important for the Chinese than any deal. (Graham et al. 2004, 43-46.)

The fifth of the elements is zhengti guannian, holistic thinking. The Chinese think in terms of whole. They do not think in sequentially and individually like Westerners usually do. The Westerners have to be ready to discuss all issues simultaneously and in random order. Nothing is agreed until everything is clear. (Graham et al. 2004, 46-47.)

The sixth element is jiejian, thrift. The Chinese are taught to save money. The haggling culture is special. They can bargain about the price a very long time. The Chinese expect that both sides make concessions eventually. Usually this means concessions on prices. (Graham et al. 2004, 47-48.)

The seventh element is mianzi meaning face or social capital. Saving face is very important for the Chinese negotiators. Humiliation or loss of composure can destroy the negotiations. Face defines a person's place. Position, skills, wealth, intelligence and personal connections are sources of face. Face can be earned, lost, given or taken away. Causing the Chinese business partner to lose face is a disaster. (Graham et al. 2004, 48-49.)

The last element is chiku nailao. Endurance, relentlessness or eating bitterness and enduring labour are translations for chiku nailao. For the Chinese people chiku nailao is more important than talent. They work hard in any kind of conditions. They usually are better prepared for the negotiations and they are ready to bargain longer. The Westerners should also show their chiku nailao in meetings. Like asking a lot of questions, show endurance by explaining everything about their company and the most important thing is to show patience. (Graham et al. 2004, 49-52.)

In Finland the business negotiations are more informal and might be even carried out at the company sauna or on the golf course. There are many skilled negotiators in Finland. Though the Finns have strong opinions and they are determined they listen

and try to see other's point of view. When the agreement is reached the Finns rely on it and it is seen like a contract. (Leney 2005, 145-147.)

The most of the Finns are experts in their own field. They expect that the others are well prepared. They will respect the negotiators in the other side when they are experts about their product. The Finns are usually interested also the technical side of the products and sometimes it is even better to send the technicians to Finland rather than the sales people. The culture of Finland is quite engineer-dominated. In Finland there will not be a hard bargaining sessions. The Finns respect that also others have to do profit with their products. The Finns always keep their promises and the contracts are usually short and straightforward. Anyway after the international business experience in EU they have become more careful with written agreements. (Swallow 2008, 228-230.)

### 2.5.1 Hierarchy and Bureaucracy

People who are supported by the government or who the Chinese think are powerful can agree the deal easier. People have power in China to construe the laws and the edicts and make easier or harder the passing of the propositions. Everything is more complicated than in the West. In China people have their own relationships and networks that are based on the indebtedness. When a Western company goes to China in purpose of make the deal they have to send the CEO there. It gives a better impression and strengthens the reliability and the reputation of the company. (Blackman 2005, 84.)

In China there are two major things that have to understand when wanting to do successfully business. One is the necessity to understand the etiquette and the behaviour which are based on Confucius values. The other is the necessity to learn to work with the central government of China and in addition with other city and regional governments in a whole country. Local governments have their own interest at heart and they often ignore policies and laws adopted by the central government. Officials in the city and provincial governments have a lot of quorum to make own decisions. They can add new tax or require a new form. If they want they can even delay or

destroy applications. This is an ancient system and because of that there occurs various forms of corruption. For the officials the personal gain is often more important than the benefit of the city. That is why it is very important to build good relationships with the officials in all level. One thing that also makes things happen slower is that the decisions have been made in higher levels. Lower-level officials do not usually take any kind of responsibility and they cannot decide anything. (De Mente 2008, 88-91.)

### 2.5.2 Business Cards

The first thing that happens in business meeting with the Chinese is an exchange of the business cards. The card should be read immediately. It might be also helpful to place the cards on the table so that you can see those all the time. Then it is easier to remember the names of the negotiators. (Mason & Murray 1999, 49.)

The Chinese way to exchange the business cards differs from the Western. In China it is polite to use both hands as you present your business card and as you pass it over. Their card should be examined slowly and carefully and it gives a good impression if their name is repeated aloud. This is an old habit in China and some Chinese no longer bother to do it with foreigners because they know that it does not matter to us. Still they appreciate if both hands are used. It shows the familiarity with the traditional culture and then it might be easier to start to develop the personal relationship. (Bucknall 2002, 74, 81.)

The business cards should be in both languages English and Chinese. There should be also all of your job titles in the company and if you have earned such as academic degrees, or any honours you may have been guaranteed, those should be mentioned in the business card. In China the company is very important and a person is identified by the company and after that by the position. (Bucknall 2002, 74, 81.)

### 2.5.3 Names and Titles

Traditionally the Chinese use their surname first, so in the business cards there is first the last name and then the first name. If the person has a title like director or vice-chairman, it should be used rather than Mr. or Madame. (Pukkila 2002, 120.) For women the Madame is better than Mrs. because it sounds more imposing and in Mao's China Mrs. had a derogatory feel. It was used to women who were selfish and uncaring. (Bucknall 2002, 35.)

In Finland the businessmen often like to be introduced by their titles at the first introduction but not after that. Usually the Finns speak quite informally. They do not use Mr. or Mrs. When the Finns are using names they usually use only the first name. (Davidsson et al. 2001, 26.)

### 2.5.4 Losing the Face

Fear of public embarrassment combined to unwillingness to embarrass other people, basically a mistake in a public, means losing the face. The face-saving is very important in China and there are two explanations for that. The first is that it is just deeply rooted to the cultural tradition. That requires newcomers to understand it and to adjust their styles. The other explanation is that the Chinese do not have a lot of experience of business and this is a reflection of that. There is a lot of competition in China. They do not accept that someone can make a mistake without any punishment when there are a lot of people who want to step in. There is a lot of competition in the school and for example about the places in universities. That is why also the children have to avoid mistakes. (Trombly 2006, 13-15.)

The strong respect of the hierarchy is also one part of losing face –phenomenon. People are talking different way to people in different levels. Like for older people and people who are in a higher position should be spoken more respectful and formal than younger people and people in the same or lower level. If the Chinese people reputation or good name is hurt some way, he/she does not do anything immediately. The self-control is highly valued in China. Anyway they will revenge sometime.

When they have been hurt, it is very hard to do business again at least it takes a lot of time. Everybody wants to save their face. That is why the Chinese do not usually want to discuss about tender problems. They try to distract the attention to something else. (Davidsson et al. 2001, 22.)

In Finland there are also some things that can be considered as losing the face. When the Finns are representing some product they always are well prepared because they hate to look silly and unknowing. If they are not well prepared and they cannot answer the questions or they do not know something it is very embarrassing and somebody might consider this like losing the face in the Far East. (Swallow 2008, 228.) The same thing can happen in the presentation. The Finns seldom ask any questions during the presentations because it is considered impolite to interrupt and ask something which may lead to the speaker lose the face. But also the speaker has to take this into consideration and avoid asking a direct question from a member of the audience. (Davidsson et al. 2001, 22.)

#### 2.5.5 Conception of Time as Money

In the West the business meetings usually are as short as possible. In China the time is not regarded as money. Actually time and money are quite separate concepts in China. One reason why Chinese do not consider time as money is that labour is quite cheap in China and it has always been. That is why it does not take much more money if the negotiations take little bit more time. (Bucknall 2002, 84.) It is said that for Chinese negotiators the means are more important than the end and the process is more important than the goal (Graham et al. 2004, 37). The Chinese people might think that Westerners are profit-minded, money-hungry and also antihuman in many ways. Anyway the younger generations in China have been taught the concept of time being money and the same stress-related working than in the West. When these attitudes come wider, negotiating in China will be easier for Westerners. (De Mente 2008, 125.)

## 2.6 Cross-Cultural Communication

Communication problems and cultural differences are often the reason for failures in international co-operation. Many national and international disputes would be solved by establishing a realistic and effective communication based on mutual cultural understanding and goodwill. Communication is sometimes difficult even within a single culture. Communication between two cultures is more complicated because it requires co-orientation and prerequisite. There are things that should be studied about the other culture before the communication. Knowledge of other nations' history, language, religion, values and norms definitely helps to understand. Still goodwill, honesty and respect are the bases which to develop political and cultural knowledge. It helps when people know how others differ but more important is to understand how they differ by themselves. Many misunderstandings happen not only because of bad diction but because of the lack of goodwill and cultural knowledge. Expanding the own knowledge about the other culture is always broadening. Preconceptions about other peoples or nations as being hostile and uncivilized create pessimism between two parties and destroy the possibilities for success. (Najafbagy 2008, 146-148.)

### 2.6.1 Non-Verbal Communication

The non-verbal communication consist all the elements of the interaction except the language. The non-verbal communication can be divided in to four categories. The first is kinetics which means the body movements and gestures. Facial expressions and hand and arm gestures are important for international negotiators. The simple facial expression like raised eyebrows means different things in different countries. For the North Americans it means interest or surprise while for the Chinese it means disagreement. The second element is proxemics, in other words spatial behaviour or interpersonal distance. There are differences for example how close people stand when they are speaking to each others. The Latin Americans stay a lot of closer than for example the Northern Europeans. The Third element is oculetics which means gaze behaviour and eye contact. The gaze behaviour is the subtlest form of non-verbal communication. In some cultures, like in the most of the Asian cultures, the

eye contact is indirect while for example Latin Americans usually have intensive eye contact. The last element is haptics, in other words touch behaviour. Touch behaviour that is proper in some cultures may be totally inappropriate in others. (Gesteland 1999, 68-75.)

Sometimes the Chinese avoid the eye-contact and it is a sign of embarrassment or shyness. The Chinese do not usually smile when they are introducing themselves to strangers. This is not because of dissatisfaction or unfriendliness. They just usually keep feelings in rather than express them. There are some gestures that are different in China than in Western countries. Like the Western sign “come here” signalled by curling index finger upward toward yourself. The Chinese do not understand that. In China this sign is showed by extending an outstretched hand facedown and waving it up and down. In Western countries this looks like good-bye wave. However there are some similarities also. Like nodding head for agreement and shaking it for disagreement. This gesture is understood in the both China and the West. (Seligman 1999, 76-81.)

There are a lot of inhabitants in China and perhaps due to that the social distance between people in the room or in the elevator is closer than in Western cultures. The Chinese can stand very close when they are talking, touch or breathe directly into others face. That might be inconvenient but if a westerner takes one step backward the Chinese will follow. (Seligman 1999, 76-81.)

The Chinese are more comfortable with the silence than the Westerners. Silence can be a sign of politeness. They can signal that the other has his/her complete attention. (Seligman 1999, 81-82.) Actually in this point the Finns are more like the Chinese. Also in Finland the silence means being polite and interested what the speaker are saying. The Finns always wait patiently the turn to say something and do not interrupt the speaker. (Davidsson et al. 2001, 22.)

One thing which might be confusing for Westerners is the way that the Chinese people react to others mishap. They usually laugh. If a foreigner falls down, the Chinese might just laugh and do not offer a help. Normally this laughing reaction is derived because they do not know how they should act. (Seligman 1999, 76-82.) Non-verbal

communication is very important in cross-cultural communication. Especially in China what is left unsaid can easily be as important as what is said aloud. In some moments the silence can be very significant. (Seligman 1999, 76-82.)

In Finland people use very little body language when they are listening to others. They do not usually smile or show any faces when somebody is speaking. Sometimes they can nod to show the agreement. (Leney 2005, 152.)

### 2.6.2 Saying No

One of the most important parts of the Chinese business behaviour is to express the negative answer. The Chinese almost never say just yes or no. Actually there are not simply yes and no words in the Chinese language. The Chinese express no and yes with a positive and a negative verb structures. Neither when they are speaking English the Chinese never say straight no. They might say maybe yes or maybe and those are negative answers. If from the Chinese have been asked a favour and they know that they cannot fulfil it still they do not say no to avoid embarrassment or loss of face in the worst situation. They can say it might be difficult or inconvenient but almost never they simply say no. Sometimes the Chinese even ignore the questions or asked favours because they do not want to say no. (De Mente 2008, 65-66.) The Chinese style yesno is for Westerners hard to understand. Westerners have to carefully listen to cues. Chinese might say it is difficult for me to say I am comfortable with those terms. That means no like maybe or perhaps. They also might answer a question with a question. Or criticize the question asked like it is hard to answer on that. Changing the subject or bring up the potential disagreement of a third party for example a boss are other ways to say no. (Chen 2001, 132.)

This is totally different in Finland. The Finns usually tell the truth, though sometimes it would be better not to do so. In Finland yes means “yes” and no means “no”. (Davidsson et al. 2001, 21.)



### 3 MODES OF COOPERATION

There are many things that affect to the decision about the market entry mode when the company is starting the internationalization process. Internal factors like firm size, international experience and product or service affects. Small and medium sized companies usually choose first exportation because they do not have resources necessary to achieve a high degree of control. Of course the experience is one factor which affect to the mode chosen. It is easier to start the co-operation with foreigners if the manager or the company has experience in operating with foreign people or even better people from particular country. (Hollensen 2007, 298-301.)

The significant part of decision about the entry mode is the product or service of the company. The physical characteristics of the product are important part of the decision about where the production is located. Products that are expensive but not very heavy are typically exported. But for example the soft drink companies typically have established licensing agreements, or at least have invested in local bottling of production facilities because of expensive shipment costs. (Hollensen 2007, 298-301.)

There are also some external factors that affect to the decision about the entry mode. Socio-cultural distance between home country and host country is first external factor. Common or similar languages, similar business and industrial practices, and comparable educational levels and cultural characteristics are the typical characteristics of similar countries by socio-culturally. The greater the socio-cultural distance between two countries is the harder is to establish for example a joint-venture. Usually the exportation is chosen when the socio-cultural distance is huge. The second external factor is country risk or demand uncertainty. Usually the foreign markets are riskier than the domestic market. When a company is choosing the market entry mode it has to analysis the risk of the market and the risk of the method of entry. The exchange rate risk has to also be taken into consideration and of course in addition of economic risk there are political risks. (Hollensen 2007, 298-301.)

The third external factor is market size and growth. The larger the country and the size of its market the higher is the growth rate. Then managers usually have to con-

sider about the establishing a joint-venture or wholly foreign-owned enterprise. The fourth external factor is direct and indirect trade barriers. Product or trade regulations and standards have an impact on the market entry mode decision. Local suppliers usually want to buy things made in home country. That is one reason why companies might want to consider a joint venture or other contractual arrangements with a local company. The local partner helps to develop local contacts, to create distribution channels and diffuse the foreign image. In addition a local partner knows better the local trade regulations. The fifth external factor is intensity of competition. The company should analysis also the competition in the host market. If there is already a lot of competition it might not be the best time to start the internationalization process. The last external factor is the small number of relevant intermediaries available. If there are only couple of intermediaries they can take the advantage of the situation. (Hollensen 2007, 298-301.)

### 3.1 Importing and Exporting

Buying of products that are made in other countries and reselling those in own country means importing. The most common form of international business activity is exporting. Sending goods or services from one country to another countries for sale or use is called exporting. Both exporting and importing can be divided into two groups. The first is trade in goods in other words tangible products. The other is trade in services in other words intangible products. (Griffin & Pustay 2005, 7,346.)

There are some advantages of exportation like low financial exposure. The firm can control its financial risk in the host country market. The financial risk is often limited to the star-up costs. Start up-costs include market research, choosing the local distributor, advertising and the value of the goods and services involved in any given overseas shipment. Another advantage is that by exporting the firm can start the internationalization process gradually. At first they can export small quantities of the products and gradually increases the quantities. Then they can assess the local conditions and modify and finalize their products to meet the real needs of the host country customers. If the exporting is going well, the firm can use this experience as a basis for a more extensive entry into foreign market. After good experiences of exporta-

tion the company can even build a factory to the host country or establish a joint-venture. Other advantages of exporting are that exporting can acquire knowledge about local market and avoid restrictions on foreign investment. (Griffin et al. 2005, 346.)

For exporting the firms may have proactive or reactive motivations. Proactive motivations are the reasons that pull a firm into foreign markets. The proactive motivations can be the opportunities available in the host country, the possibility to spread fixed research and development expenses over a wider customer base and to price the products more competitively in both domestic and foreign markets. The reactive motivations are the reasons that push a firm into foreign markets. Usually the reactive motivation is the decreasing opportunities in the domestic market. Reactive motivations can also be the production which is running below the capacity, or the seeking of the higher profit margins in foreign markets while the domestic demand is decreasing. The exporting can be divided into three forms: indirect exporting, direct exporting and intracorporate transfers. (Griffin et al. 2005 , 346-349.)

### 3.1.1 Indirect Exporting

The enterprise, that sells its products to the domestic customer which in turn exports the product in either original or a modified form, is using indirect exporting. The indirect exporting happens if a firm buys some ingredients from another domestic company and then exports the manufactured product. The manufacturer of the ingredients is exporting indirectly. Indirect exporting happens also if the firm is selling products to the domestic wholesaler who sells the product to overseas or if the firm is selling products to the foreign firm's local subsidiary which then transports the first firm's products to abroad. (Griffin et al. 2005 , 348.)

### 3.1.2 Direct Exporting

When customers, distributors or end users of the products are located in a foreign country and the firm is selling straight to them it is a question of direct exporting. The company deliberates the efforts to expand its business internationally and de-

cides whether it is profitable to start the direct exporting or not. The company has to estimate the products, foreign markets, and the method to distributing the product to foreign markets. Direct exporting gives to the company experience about internalization and knowledge about the individual countries in which it operates. Successful indirect exporting often prompts the company to internationalize more and estimate the other entry modes like foreign direct investments. (Griffin et al. 2005, 348-349.)

### 3.1.3 Intracorporate Transfers

Intracorporate transfer means the sale of goods by a company in one country to affiliated firm in other country. Intracorporate transfers have become more important when the sizes of multinational corporations (MNC) have been increased. Intracorporate transfers are common if the company has for example storage in other country and subsidiary in other. The transaction is counted as an export of the storage country and as an import of the subsidiary country. But the revenues for the transaction remain in the company's headquarter country. Many MNCs transfer semi-finished products and parts of the products in order to lower their production costs. (Griffin et al. 2005, 349.)

## 3.2 Foreign Direct Investment

The purpose of the foreign direct investments (FDI) is to control property, assets, or companies located in the host countries. The firm can increase the control over its international business operations and also increase the profit potential with FDI. If the firm has to closely coordinate the activities of its foreign subsidiaries, the control is very important for it. FDI is a good alternative also if the host country customers prefer to deal with the local factories. On the other hand the firm might have greater economic and political risks. And the value of its foreign investments may drop if the exchange rates change harmfully. (Griffin et al. 2005, 8, 360-361.) Greenfield strategy, acquisition strategy or the brownfield strategy, joint-venture, wholly foreign-owned enterprise and subsidiary are types of FDI.

### 3.2.1 Greenfield Strategy and Acquisition Strategy

The greenfield strategy means building new facilities. This strategy involves starting a new operation from scratch. In Greenfield strategy the firm has to find a land and buy or lease it, hire or transfer employees and finally launch a new operation. This strategy has several advantages. The firm can select site that is best for them and their needs and they can construct new up-to-date facilities. The firm can also start everything from the beginning. They do not have existing debts, old equipments and they do not have to struggle to modify old work rules. The cultural differences also matters. If there are a lot of cultural differences between the home and host country it is easier to the firm to build a new factory rather than purchase an existing firm. (Griffin et al. 2005. 361.)

The acquisition strategy means buying existing assets in a foreign country. The biggest advantage of the acquisition strategy is that as soon as the firm has purchased the other firm it soon controls the acquired firms factories, employees, technology, brand names, and distribution networks. The acquisition strategy does not add new capacity to the industry. There are also some disadvantages on the acquisition strategy. The firm has financial and managerial liabilities of the acquired company. If the company has poor labour relations or unfunded pension obligations the acquiring firm is financially responsible for solving the problems. (Griffin et al. 2005, 362.)

### 3.2.2 Joint-Venture

Joint-venture is created when two or more firms agree to work together. They jointly own a separate firm to promote their mutual interest. Joint-venture is a special form of strategic alliance. (Griffin et al. 2005, 630.) There are some advantages of Joint-venture. Technology and management skills of the partners can bring new opportunities in existing factors. Based on the experience many firms have noticed that the speed of market entry can be increased by the partner in the host country. Many less developed countries like China try to restrict foreign ownership. (Hollensen 2007, 339.) The most important advantage of Joint-venture is the sharing of risk. The joint-venture experience is a good way to learn more about a new market environment and

later the company can increase the level of commitment and exposure. (Keegan & Green 2008, 298-299.)

In China the joint-venture enterprises can be categorized into four types. The first type is a foreign investor combines with a state-owned enterprise. This is the most common type in China. The second type is a foreign investor combines with a collective enterprise. This is a second most common in China. The third is a foreign investor combines with a private enterprise and the fourth type is a foreign investor combines with another foreign enterprise, or with an investor from Taiwan, Hong Kong, or Macao. The first two types are the most popular because the firms can use their governmental background. They can provide what a foreign investor really needs. Actually there are two approaches for these joint-ventures. There might be already existing state-owned or collective enterprise. The technology and funds can be brought by the foreign investor and then combined with the other enterprise and that is the way to reform it. The other approach is that both the foreign and the Chinese investors invest funds to build a new enterprise. This enterprise can go to either for an international or for the Chinese domestic market. (Huang, Leonard & Chen 1997, 12-13.)

Traditionally the best way to do business in China is through an equity joint venture (EJV). But there should be a well-connected Chinese partner. (Vanhonacker 2004, 105.)

### 3.2.3 Wholly Foreign Owned Enterprise and Subsidiary

A new trend to go to the Chinese market is a wholly foreign-owned enterprise (WFOE). It might be more effective mode to do business in the Chinese market than others. The joint-venture and WFOE have the same taxation and corporation liability. In addition they have similar foreign exchange rules and comparable import and export regulations for licensing, quotas and duties. In fact there is only one real technical difference: WFOE take less time to establish than EJVs. The reason why WFOEs are so popular is not that the China's legal or regulatory codes would have changed. But the pioneering companies who have tried the WFOEs have not met a lot of resis-

tance from the authorities. The officials in China are actually more concerned what the foreign investors bring to their market than how their deals are structured. The foreign investors think that the flexibility and managerial control they deliver fits in the China's competitive situation. (Vanhonacker 2004, 105-107.)

Subsidiary is a local company owned by a foreign company. It is operated under the laws of the host country. The subsidiary is a servicing or producing company that the foreign company has established of its own. The subsidiary operates in the local market from day one. That is the reason why the learning process is very short. The problems with the production, human resource management, and consumer behaviour should be solved from the beginning. So the company should be well prepared. Also the national government can cause problems. It can consider a new organization as a threat to the local firms and sometimes even for national pride. One of the major reasons for companies to establish the subsidiary is to being close the customers. Of course also tax advantage can sometimes be very significant. Especially if the head quarter of the company situates in high-tax country. (Hollensen 2007, 86,359.)

## 4 RESEARCH METHODS

The main approach of this thesis is the narrative approach which means story telling. The interviews are part of the narrative research. Participate observation is another method used in this thesis. At the beginning of this chapter the data collection process is explained.

### 4.1 Literature Review

From the beginning it was clear that there are hundreds of good references available. It was not easy to decide the references. Mostly in this thesis are used new references beginning from the year 2000. Some exceptions are written previous than 2000.

I started the literary search from the web pages of the libraries with the headwords China, Finland, Chinese culture, Finnish culture, Chinese business culture, Finnish

business culture, cross-cultural communication, difficulties in cross-cultural communication, communication between cultures, indirect communication, direct communication, China+Finland and cultures. I got many answers and I selected the most suitable ones. I also searched from the school databases Ebrary and Ebsco and got many good books and articles with those same headwords. Some headwords gave thousands of articles so I have to limit those. Every article I searched was written between years 2000 and 2010. I also cut the headwords like Chin\*, Fin\*, cultur\* so that I could get all the results regardless the end of the word. Anyway this did not help because then I got more results and it was clearer to search with whole words when there were so many results.

In libraries there were plenty of books of the cultures and business cultures. It was easy to find material. The problem was more to find the suitable references and good ones from the group of hundreds of books. From the books and articles was chosen the ones that describe the culture of China and Finland and mainly business culture. The criterions were to find information that is most useful for companies that are operating with the Chinese. The everyday situations and basic facts that affect to the business between Finns and Chinese were searched.

#### 4.2 Narrative Approach

The narrative approach is chosen because this method is used in a series of studies linked with Finnish-Chinese co-operation.

The concept of narrative is based in Latin language in which the noun narratio means story and the verb narrare telling. The narrative approach focus on stories and the stories are kept as an intermediary and a builder of the information. Based on the narration the interviews or free written answers are narrative material. In this method for the examinees is given possibility to tell the opinions and impression in their own words. The narrative research do not aspire objective or sweeping information. It aspire local, personal and subjective information. The information consist polyphonic and narrative entity. It is a group of small stories not a one big universal and monological story. In the most demanding meaning the features of a story is required. For



example certain logical structure, like chronological order. There have to be a storyline to keep that story together. The storyline have the start, the middle and the end. In the wider meaning of narrative, all material which is some way based to the narration and when the analysing requires rendition, can be understood as a narrative. Unlike the numeric or short answers materials, it is not reasonable to present narrative material for example as a list. (Heikkinen 2007, 142-156.)

### 4.3 Interviews

Narrative interviews are chosen to use in this thesis because then the interviewees can tell their impressions and opinions in their own words. They can also say lot of things that the interviewer did not realize to ask.

The advantage of interviews comparing to other data collection methods is that the data collection can be regulated flexible on the way the situation requires and by conform the interviewees. There is a possibility to change the order of the subjects and there are more possibilities to interpret the answers than for example in post questionnaire. In the interview the interviewee can tell about the topic more than the interviewer can foresee. In the interview situation the interviewer can see the face and gestures of the interviewee. One advantage in interviews is that usually the interviewees can be contacted later if there is a need to complete some parts of the data. (Hirsijärvi, Remes & Sajavaara 2004, 194-199.)

The research interviews can be categorized in to three groups. The first is structured interview, in other words form interview. The second is theme interview and the third is open interview. (Hirsijärvi et al. 2004, 194-199.) In this thesis the open interview is used.

There are a lot of names for the open interview. Free interview, deep interview, informal interview and non structured interview are some examples from the names used. In the open interview the interviewer clarifies the opinions, thoughts and feels of the interviewee in the order those genuinely come out in the conversation. The topic can also change within the conversation. When there is not a strict body of the

interview the interviewer has to drive the situation. The open interview is from all the modes of interviews the closest to the conversation. (Hirsijärvi et al. 2004, 198-199.)

The interviews are big part of the data collection. Five open interviews in different companies will be made. I have a list of questions that I will ask from every company and in addition I hope that there will be also some open discussion about the Chinese. Then I could get also lot of the information that I didn't realise to ask. The answers will be analysed in the research results.

#### 4.4 Observation

By the aid of the interview is clarified what people think, feel and believe. The interviews tell how the interviewees observe things that happen around. But those do not actually tell what really happens. By the aid of observation is got the information if the people really act like they say to act. The biggest advantage of the observation is that immediate and strict information about the operations and behaviour of individuals, groups and organizations can be got. The observation can be used in natural environments and the artificiality can be avoided. The observation can be divided in two groups: systematic observation and participate observation. (Hirsijärvi et al. 2004, 201-203.) Participate observation is used in thesis.

There are a lot of subspecies of observation according how completely or comprehensively the observer try to participate to the operations of the examinees. The completely participate means that the observer try to come completely member of the examinees group. Participant as an observer means that the observer is making observations in the group. In using the observation method is important to remember to keep the observations and the own interpretations separately. (Hirsijärvi et al. 2004, 205-206.) In this thesis participate observation is used when my own opinions and experiences from the exchange student period in China have been added in some points of the research results.

#### 4.5 Reliability of the Research

The reliability of the research is often estimated with the concept of validity and reliability. Reliability means the repeatability of the measurements, ability to get non random results. Validity means the research methods' ability to research exactly what is meant to research. (Hirsijärvi et al. 2004, 216.)

The material is reliable when there are not any contradictions. Reliability can be verified with the actions. First is the change of the indicators, second are more observation times and third is the use of more observers. The change of indicators means showing the conformity of the phenomenon. With more observation times is aspired to ensure the accuracy of the collection of material. Using of more observers can be ensured the objectivity of the research. (Eskola & Suoranta 2008, 212-214.)

Validity can be divided into internal- and external validity. Internal validity means that the theoretical starting points, conceptual specifications, as well as methodical solutions have to be in logical relations to each other. Internal validity shows the researchers' scientific view and control of the researchers' own science. External validity means the qualification of the relationship between the done renditions, conclusions and material. Certain research observation is said to be external valid when it represent the research subject exactly that kind of that it really is. (Eskola et al. 2008, 212-213).

There are four criterions for estimate the reliability for narrative research. Those are width, coherence, insightfulness and parsimony. Width means that the researcher has to show that he/she has got enough observations of the researched phenomenon. The analysis process has to be represented so that the reader has a possibility to follow how and from where the researcher has got the results of the research. This means that the researcher has to show what kind of questions and how he/she has made. There can also be citations of the research material. Coherence means how the researcher has created significant impression of the researched phenomenon and how the parts of the analysis are fitting together. Insightfulness means the ability for innovations and individuality in showing the story and analysis. Narrative research creates one point of view of the researched phenomenon. Parsimony means the abil-

ity to summarise the result of the analysis to the small amount of concepts. The research should build a logical entirety. Logicality means that the concepts, methods, questions, material, reporting of the results and conclusions are coherence to each other. (Vuokila-Oikkonen, Janhonen & Nikkonen 2001, 81-107).

## 5 BACKGROUND OF THE RESEARCH

There is lot of information about the cooperation between Chinese and Finnish in the companies in Pori region but this information has not been collected together. The experiences from Pori region is now collected in to this thesis. The thesis is based on the Anne Vihakara's doctoral thesis (2005), but the results are from the year 2010 and only from Pori region. The main focus is on cross-cultural communication.

In the Vihakara's doctoral thesis (2005) the results of the biggest challenges in the Sino-Finnish Joint Venture are communication difficulties and implementation of efficiency. Still today these are problems. Chinese style to communicate is indirect and Finnish style is direct. Sometimes Chinese even felt that they were being accused of something over which they had no control. The Finns felt frustrating at the Chinese way of talking around the topic but not getting the point. In a typical Chinese company there are a lot of workers while the Finns emphasized productivity. One of the problems that are come out from the Vihakara's research is language and communication. Not every manager in China speaks English. Actually the interpreters had to be used very often.

Material culture is not in so big role that could be expected. The Finns hardly ever gave negative feedback about the accommodation, environment or living and working in development country. The Chinese usually likes and appreciates Finnish technology, strong work ethic and the honesty. Of course there are things that are different in China and Finland also considered as a material culture. Like Feng Shui is sometimes very important for Chinese but for Finns it does not make sense always. (Vihakara 2005, 229-230.)

Truth, honesty and lying are perceptions that vary a lot between the Finns and the Chinese managers. Finns always expected truth while the Chinese may preferred a “modified truth” in order to save face. Sometimes for Finns it is very difficult to act so that the Chinese can save the face if the opinions and methods are totally different. (Vihakara 2005, 229-230,262.)

For the Chinese the personal relationships are more important than for the Finns in business life. And understanding that is very important like in every other things also. Understanding the background of both parties would have been very helpful in many cases. (Vihakara 2005, 235,269.)

## 6 RESULTS OF THE RESEARCH

I have analysed the interviews and found some things related to the eight elements of the culture. Those eight elements have been explained earlier in this thesis.

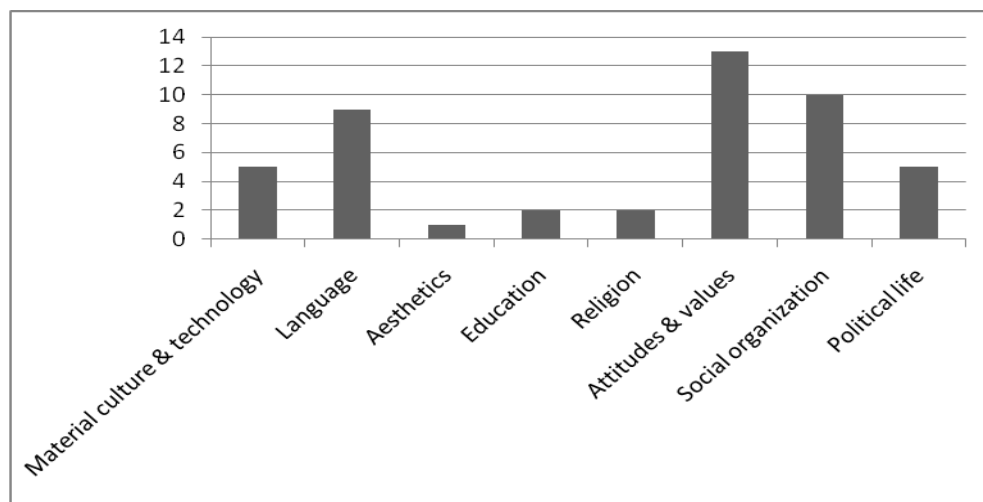


Figure 2. Elements of the Culture. The times that these appeared in the interviews.

### 6.1 Elements of the Culture

The most commonly mentioned thing was the attitudes and values. I think that it is because the Chinese have different values than the Finns have. The Chinese appreciate relationships, money and long-term partnerships. When the Finns usually

thinks that time is money and the sooner the better the deal has made. The business relationships are not so important while they do not have to spend the sparetime together.

The second common thing mentioned in the interviews is social organization. That is only because I counted to this part also the business partners to be in the social organization. Everybody mentioned in the interviews that the relationships are important. It is important to take into consideration their culture and create good relationship before the business can really run.

Language is also very commonly mentioned in the interviews and it is not a surprise when it is a question of the Chinese language. Also the language barrier is sometimes so big that it really makes things more difficult and harder to handle. Opinions from the interviewees are that nowadays many Chinese can speak fluent English but they do not want to speak it. They still want to use interpreters and it is hard to discuss and negotiate when you can not be sure how well the interpreter can translate what you say. In some areas the Chinese can not speak English and usually there are at least couple of persons who can not speak English when there are big groups of the Chinese.

Material culture and technology has mentioned five times as well as the political life. I think the main reason is that the material and technology is highly appreciated in China. And there are many technology companies in China and many that kind of companies at least have a production in China. The reason that the political life is mentioned is because China is a communist country and that is the way it differs from Finland and it is very visible difference. The communist system affects a lot to the business. There is more hierarchical system than in Finland.

Religion, Education and Aesthetics were not so commonly mentioned in the interviews. The main reason is that the questions were about business so these things do not show up so often. The main part of the Chinese are atheist so religion is not so important. Of course there are plenty of religions so you can not be sure if the business partners belongs to some group. But usually they do not show it. Not at least in the business negotiations. The philosophies are important because they influence

on values and attitudes. People who operate in international business have a quite good education. There is a huge competition of the study places in universities so those who graduates are really good in their own field. There are pretty many women also in good positions because they are good in schools. Aesthetics is mentioned only once in interviews. The colours are important for the Chinese and the packaging. That is why it is best to package the business presents to the nice papers. But has to be remembered that the red and gold are the most safe colours.

## 6.2 Basic Information of the Companies and Operations in China

Five companies from Pori region were interviewed. All of those have operations with the Chinese. One has a factory in China, three have importing business and one exporting. The companies have been chosen because they have operations with the Chinese and they were willing to participate in this research. I also tried to search companies that have different kind of operation with the Chinese so that the differences of the buyers and sellers could be analysed.

All the interviewed companies have cooperation partners in China. Especially in the south and in the east coast of China located the main partners. There are cities like Shanghai, Ningbo, Wuxi, Changzhou, Qintao and Guangzhou where situated many cooperation partners for companies of Pori region. In inland situated also some partners but mainly the partners are in east and south.

For the companies the Chinese are important business partners and they are in contact every day. Nowadays email is the easiest way to communicate. Phone is also one option but when someone's spoken English is not so fluent, clear written version is easier and that means email. Faxes are almost forgotten with the Chinese. Every company has their own partners in China and the longer relationship they have with the Chinese the easier is the communication and business. For the Chinese the relationships are important and they appreciate long-term business partners.

Among the companies there are others who have just started the cooperation with the Chinese and others who have had the cooperation already for almost twenty years.

The world has changed and especially China has changed a lot during the last twenty years but the basic problems are still the same. In the beginning the cooperation is harder and more difficult than later.

### 6.3 Communication

Everyone can easily find some problems on the cooperation and communication with the Chinese. But almost everyone said also that there are problems also with other customers or people so the Chinese are not the exception. But it has to be remembered that the culture is totally different. In the next chapters the most common problems in communication are analyzed.

#### 6.3.1 The Chinese never say No

One thing that almost everyone mentioned in the interviews is that the Chinese people never say straight no. Some ones said that they not say straight yes neither when they actually mean no. They might change the topic or say it might be ok or something like that. Someone also mentioned that they say yes for every proposal and in the result can be seen whether they meant it or not. This is very problematic for the Finns because the Finnish people are used to say straight what they think. If yes is said when no is meant it would be seen a big lie and none will ever trust the liar again. This might cause problems also in other way. If the Finns say too straight the things, especially negative things, the Chinese may not feel so comfortable and they might feel that they lose their faces.

#### 6.3.2 Negotiations

All of the interviewees mentioned that the negotiations are different in China. The biggest difference is that they last longer.

It is hard to negotiate with the Chinese business partners. They are ready to make the things in one way but when something should be changed it is really difficult.



This is an opinion from the company that has operated over one year with the Chinese business partners. The negotiations usually take more time than we are used to in Western countries. Anyway it depends a lot on the business partners how formal the negotiations are. In the beginning those are usually very formal but when people know each other better also the negotiations can be more informal. One of the interviewed said that usually they go to China just to maintain the business relationships. The important deals are usually agreed by email.

The negotiations usually take longer in China. Finnish people are usually used to very short and effective business negotiations but in China they do not have any hurry and they can think everything a long time. They want to negotiate every single little detail and they do not concentrate on the whole.

### 6.3.3 Language Skills

In interviews the Chinese language skills were always mentioned. Basically the people who are handling international business can speak English but there are also differences. In one company there was one young girl who spoke English but she did not know so much about products. No one else could speak English in that company. For some Chinese the spoken English is not so good and that is why it is sometimes hard to handle business in phone. E-mail is better option because they still can English but their pronunciation might be different than ours. In general in China the people do not speak English well.

It is also hard that people who do not speak English in China pronounce also the English words differently. The Chinese have the Chinese names also for every English brand. This is what I usually saw in China. Like the shop called Tesco was some kind of “lo go”. Following is the story about one interviewed taxi driver.

Once we tried to go by taxi to the hotel without showing the hotel card. We just said hotel Hilton. But the taxi driver did not understand us at all. It did not make the things better though we said it many times. Finally we really had to show him the card. Then we asked him how he says it and it sounds totally different than hotel Hilton. Luckily there are the hotels cards in every hotel. It is

important to remember to take it every time when leave to somewhere out from the hotel.

This is very common in China and usually people should have hotel cards with them because there are written the address and the name also in Chinese characters.

#### 6.4 Amazing Things about China

In interviews I asked what the most amazing things in the Chinese are. Usually the answers were quite the same. “First amazed everything, now nothing can really surprise anymore”, was probably the most common answer. In following chapters are told the most amazed things.

##### 6.4.1 Flow of Information and Copies of the Products

It is amazing how fast the information can be shared in China. Everything can be copied very quickly after the first model has come to the market. They do not know patents or copyrights so there can be found every product copied. Of course the copies are a lot of cheaper and the quality is not the same and the quality depend a lot of the manufacturer. The secrets never stay in secrecy. Quality is not always so good. My own experience is that the “Abibas” sweatpants or other weird brand names can be very commonly seen in China. There might have been hurry in sewing those. Then even the brands can be written wrong.

##### 6.4.2 Prices and Money

How everything can be so cheap? The products can be cheaper than the material that is used in the product. This is amazing thing and it is hard to understand. When one is negotiating the prices, the discussion can be very long because the Chinese can bargain a whole day. Sometimes feels that the bargaining and business process is more important than the result.

Money is important for the Chinese. The income disparity is big and growing all the time so if someone has money it should be shown. The bargaining is very important for the Chinese. In the shops it is very important to bargain and the prices are so high that there should always been bargaining. One of the most importing reasons for every company to cooperate with the Chinese is that the prices are so cheap.

#### 6.4.3 The Disappearing of the Companies or Businessmen/women

When there is a very bad and big problem the company or individuals can just disappear from the market and no one can find them. They can destroy their contact information and all the other information and data of the company. The Finns think this is unbelievable but it is reality in China. The businessmen can also have plenty of names. In China the business men usually have also an English name then it is easier for Westerners to do cooperation and remember their names. Like some of the interviewed company has meet in their first fairs in China a dealer agent. Dealer agent is an agent between the company and the customer. They met dealer agent called Jack. Couple years later when they met that same guy his name was Richard. It is hard to find good contacts and the dealer agent is not a good choice when they are not the representative of the company.

#### 6.4.4 Humility

Many interviewees said that the humility of the Chinese is amazing. They are always ready to develop their products and ready to make some changes to offer better product.

We asked an offer from a Japanese customer and from a Chinese customer. The Japanese product was good quality but it was couple of years old and we would have liked to get some changes and we have some proposals for better product. They said that their product is good and no changes will be made. Then we asked the same product from the Chinese. Their product was not so good but when we proposed same changes, they listened us and develop the product and finally it was perfect for us and much better than the Japanese product. Still the price was lower.

I believe that in future the Chinese will do the best quality products and still they have the cheapest prices.

These are examples from one company of the Chinese desire to make and develop good products and listen to customer. The Chinese are very humble. If they send a bad quality product they usually want to compensate it and next time they will do it better. They are still ready to learn new and work hard to develop.

#### 6.4.5 Titles

The titles are very important for the Chinese. In their business cards there are mentioned all of their titles and work positions. The people are usually respected according to the age. But young person can be respected as well if his/her title or position is high.

The Chinese came first time to visit in our company. We did not get much of information about them before. Finally it was a Saturday when they came to here to the airport. The retired chairman of the board said that okay I can go to pick them up and drive to the hotel and after that to our company. Everything went ok until to the meeting room. I noticed that something was disturbing the Chinese and they were not very happy. Then we had prepared some presentation of our company. And they asked who owns this company and I showed to the retired chairman of the board and they did not believe it and they were asking it again and again and every time I showed the same person. Still something seemed to disturb them. Then I asked what is wrong has something happened. And finally I got a real answer. Everything is fine except that why is this car driver negotiating with us. Then we realized that they did not understand that the car driver is actually the chairman of the board. They usually have own car drivers but we have not in Finland. When they realized this everything was easier and they were very pleased that their car driver was in so high position. But for a while we really had a hard situation when we did not understand what the problem is.

This is an example of the respect from one interviewed. The respect of the Chinese could be clearly seen when they realize who their car driver really was.

#### 6.4.6 Western Effectiveness versus Eastern Thinking and Unhurriedness

The Finns are very effective and always want to make agreements fast. When they have negotiated the details once and the things are agreed the agreement is created.

We Finns are like Germans with our impression of effectiveness. Everything should happen now or at least in ten minutes. On the other hand Chinese think everything a long time. They want to drink some tea and take their time to familiarize to the business partners.

This was mentioned by one of the interviewed. For the Chinese the relationships are very important. Sometimes it might take many years that they can trust you and keep you as a respected business partner. Following are also opinions of interviewed.

It feels that first have to become friends, like first I have to sell my soul and then we can do business. It is also amazing how they always keep on going. They are never discouraged. They always try their best and develop their products. They are very patient.

In China the business meetings may last many hours. It is very different than in Finland where usually in meetings the business will be handled as soon as possible.

It feels that for the Chinese the trading and bargaining is more important than the result.

This was an expression of one interviewee who has been negotiating in China many times.

#### 6.4.2 Fear to Losing the Face

When asking people in Finland what the differences between the Chinese and the Finns are, I believe that almost everybody, who knows some Chinese, says that they never say what they thought straight. They fear to lose their faces so they never say what they think and they expect that others do as they do. They fear to make mistakes because if they make a mistake they can lose their faces if someone notices their mistakes.

I was buying a camera from one shop. It was very good camera and my son has recently bought same kind from Finland so I knew how much it costs here. I was putting the price so cheap that they did not have the possibility to sell it so cheap. Then I left from the shop. After me there was coming one seller and said that if it is really my last offer they can sell it to me. I went back to the shop. Then they were starting to search the camera and they did not manage to find it. They offered many other kinds camera which were different and cheaper models. I did not accept any other models. Then the seller had to leave to home. Another seller was continuing. He said that he send another guy to pick up the camera from other shop. It takes time and the guy never came back. Then I said that okay can we cancel this now. I do not have time to wait anymore. It didn't take a half second when the receipt was ripped and the deal cancelled. They could not sell it so cheap but they were too scared to say no for my offer. They would have lost their faces if I got angry and said something bad to them. They had to get me to propose the cancellation.

This was an example story of one interviewed. It is very common in China that though they have already promised to sell you something, you will not get the product if the price is too cheap. They just cannot say it straight.

#### 6.4.3 Hierarchy

In China the hierarchy is different than in Finland. The example from one company interviewed:

When you try to solve some problem in China you will get help until the certain point. But when you need to get more information than the limits of one person are, you have to find the next level of the hierarchy. This is not always an easy job. You might get the information from the person who helped you to this point. But if you do not get it is hard to find the next level.

That is why it is easier if you send to China the high level person enough. If you expect to meet the CEO of the Chinese company you should send the CEO of the Finnish company. It is the best way to do business anyway because the CEO has enough power to make decisions. This will make the negotiations little bit shorter and easier.

#### 5.7.4 Different Kind of Sense of Humour

Humour is always hard when there are persons with different cultural background. It is also hard between the Finns and the Chinese. One reason is that usually the common language is English and it is not the mother tongue of them. Then it is a lot

harder to tell a joke. But also the senses of humour are totally different. The Chinese do not understand sarcasm as the Finns do. The Chinese have their own jokes which are hard to understand for the Finns. That is why at least when the business partner is quite new it is better to avoid the jokes. When the relationship has been very long it is easier to tell jokes and learn to understand what good humour to others is. Also the topics of the jokes are important. I would say that there is a difference in that the Chinese cannot laugh at themselves. They fear to make mistakes or silly things and laugh at themselves. That is different in Finland. In Finland people usually can laugh at themselves but they usually do not laugh others when they make mistakes.

### 6.5 Future with the Chinese and Tips for Others when starting the Cooperation

The last question in my interviews was that what the companies think about future. Are they planned to continue the cooperation. Every answer was definitely yes. The business with the Chinese is profitable and interesting. The markets in China are really big and growing all the time. Everybody wants to be part of those markets. They want to see how long the markets can grow and what will happen in future. Following are some tips for them who are starting or planning to start the cooperation with the Chinese.

Be patient it might take some time to find good contacts or business partners but you will find them sooner or later. You cannot wait any fast victory from China. You have to work hard and be ready to make some sacrifices. It is not easy but it will be worth of it.

Fairs are good option to get contacts and allow handling tens of things at the same time.

You are going to need a round stamp. Every valid document should be stamped.

Be ready for everything. If they are interested in your company they might even want to buy the whole company.

The Chinese have their own way to do business. Sometimes it is amazing how they use alcohol. Sometimes they really might be drunk.

Chinese appreciate age. But nowadays also the position is very important. So you are able to reach respect even though you are younger. But you have to be ready to face prejudices if you are young and in high position.

The Chinese do business to 100-200 different countries. They cannot always know what the requirements of your country are. Like if the country situates in north the products might have to endure freeze. That is why you have to explain them very clearly what you need and what are the requirements and what you really want.

It is always good to know a little bit of the culture before than try to start the cooperation with the people from different country. The most dangerous thing is to lead the Chinese to the situation where he/she can lose his/her face. After that you might never see him/her again. If that happens, you will lose your possibility to do business with the person. Anyway it is good to realize that most of the Chinese that you meet in international business are used to work with international partners. They know that the cultures are different and are able to handle also other ways to do business. In every situation the easiest way is to follow how the Chinese do the things by themselves and do those in the same way.

Still one thing should be remembered. The Chinese culture has existed thousands of years before than ours and it really should be respected. That is how you show your respect to the Chinese people and that is a good start to build the relationships and later the business partnerships.

## 6.6 Case – Sampo-Rosenlew Oy

Sampo-Rosenlew was established in 1991 when Timo Prihti bought the business. In their production space the industrial operations have started already on 1953 when the family business Oy W Rosenlew Ab started operations. In 1957 in the Pori factory started the manufacturing of combined harvesters. (Web page of Sampo-Rosenlew Oy.)

The cooperation with the Chinese they started about 1996-1997. It was tender and they won it. The reason for starting the China-operations was that there were demand and markets and when the tender published they decided to participate. China was then little bit different and infrastructure little bit worse.



The infrastructure was different when we shipped the first combined harvesters to China than it is nowadays. We shipped those to the port of Beijing but then it came out that the final place is about in the middle of China. So the combined harvesters had to be driven there and it took about one month.

Nowadays they see it like everyone else as a big market area and it will still grow. They have identified China one of their most important market area and that is why it takes a lot of their time. Industrial washing machines are nowadays the most important export product to China. The combined harvester business is growing all the time. Their customers have been mostly the Western companies that have factories in China. Lately they have got real Chinese companies as their customers. When the Chinese want good quality they buy from Sampo-Rosenlew but with the prices the Finns cannot compete with the Chinese products. Chinese are now focusing on developing the agriculture. In the future when the people move to the cities from the countryside the agriculture has to produce more food and more efficient when there are less workers. They have got visitors from very big companies from China because the Chinese have been interested in their company. The Chinese have sometimes been very aggressive and they have wanted to buy the whole company. Sampo-Rosenlew has one contract with the Chinese state owned company. In future they might export modules of the combined harvesters and those are built in China and then the final product is partly Finnish and partly Chinese and could get the Chinese status and the benefits of the Chinese products.

They have a network in China. In industrial washing machines they have partner in China and couple of salesmen but it is quite simple operation. In combined harvester business their partner is the leading producer of agricultural machines in China. This partner has networks in all over the China. The distance is long and the relationships for the Chinese are important so it means little bit travelling. It takes time but the target has to be high enough and it has to be proportioned for the input they place there. They have couple of partners there and the partners have large networks for all over the China.

The communication is difficult mainly because the managers can speak English but they do not want to speak it. So the interpreters have to be used but sometimes they speak worse than the managers would speak. Sometimes there is only one chosen

person who communicates but usually that contact person can speak English very well. When they started the operation they hired a Chinese person to translate all their marketing material, brochures and everything.

The cooperation has not last very long so everything has gone quite well at least until now. It is partly based on that the Chinese are very interested in Sampo-Rosenlew's products. In future Sampo-Rosenlew definitely is planning to continue and between three to five years they think that something big has to be ready there.

## 7 CONCLUSIONS

The outcome of this study is that the company has to be well prepared when starting the business with the Chinese but also that the business with the Chinese is a learning process and it takes time to achieve the good and working business partnership with the Chinese. Anyway it is not insuperable difficult to do business with the Chinese. Company that does international business has own problems in every country and those are not a lot bigger in China. The problems might be different because of the cultures are so different and the distance is so long. With patience and respect can survive very long. Of course like in every other place there are differences between people and it is important to find the good partners. Anyway most of the Chinese people who operate in international business are used to foreign partners and the business relations are then easier to create.

Some questions were prepared to be asked in every interview. Then the reliability can be evaluated better. Conception of reliability in this research fulfilled when the answers were quite same kind from the different companies. In the open interviews it was easy to specify some questions or answers so that the answers really answer to the questions. The questions were structured so that also the validity fulfilled. The things that are related to the topic were asked.

There did not show up any big surprises from the interviews. The theory supports the results and the things that appeared in the interviews were usually also mentioned in

the written references. The results of previous research, Anne Vihakara's doctoral thesis, were quite same kind. Big changes in the cooperation problems, between the Chinese and the Finns, have not happened between these researches. The problems are mainly based on the cultural differences. That is why the problems still exists though they are widely known.

There was one thing that was emphasized in many interviews more often than in previous researches. The Chinese are very humble and they really want to learn new things and methods. They are ready to develop their products. They listen to their customers' needs and want to service the customers well. Also the amount of people who can speak fluent English is growing. The desire to develop and do international business is increasing in China.

This thesis is a part of larger project "Bear meets Dragon" and with the other theses, which belong to the same project, creates the picture of the cooperation between the operators from Satakunta and China. In future this kind of research could be enlarged from Satakunta to nationwide. It would be nice to compare whether there are differences between the areas and are the problems always the same.

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Hei,

Olen Kansainvälisen kaupan opiskelija Satakunnan ammattikorkeakoulusta ja olen aloittamassa opinnäytetyötäni Porin seudun yritysten ja kiinalaisten yritysten ja toimijoiden yhteistyöstä ja kulttuurien välisestä viestinnästä. Etsin yrityksiä tutkimukseni kohteeksi. Tutkimukseni teen haastatteleamalla ja mielelläni kuulisin kertomuksia ja esimerkkejä kiinalaisten kanssa toimimisesta.

Tarkoitukseni on selvittää yrityksen perustietojen (toimiala, liikevaihto ja henkilöstön lukumäärä) lisäksi, miten yhteistyö sujuu kahden eri kulttuurin edustajien välillä. Opinnäytetyöni on osa laajempaa projektia ”Bear Meets Dragon”, joka selvittää satakuntalaisten ja kiinalaisten toimijoiden yhteistyötä. Projektin vetäjänä on yliopettaja Anne Vihakara. Hanke on osa Satakunnan ammattikorkeakoulun T&K-toimintaa. Liitteenä on englanninkielinen tutkimussuunnitelma Bear Meets Dragon –projektista.

Olisin kiitollinen, jos päätätte osallistua tutkimustyöhöni ja tulisin mielelläni haastattelemaan teitä. Yhteyttä voitte ottaa sähköpostitse: [iida.mattila@student.samk.fi](mailto:iida.mattila@student.samk.fi) tai puhelimitse: 0505913025. Haastattelut pyrin tekemään helmi-maaliskuussa. Tietojanne käsitellään luottamuksellisesti ja nimettömänä.

Ystävällisin terveisin

Iida Mattila

## YRITYKSEN PERUSTIEDOT

1. Minkä alan yritys?
2. Henkilöstön lukumäärä?
3. Mikä on liikevaihtonne?

## TOIMINNOT KIINASSA

4. Mitä tuotteita, viette tai valmistatte Kiinassa?  
tai
5. Onko teillä oma yritys, yhteisyritys, tytäryhtiö vai mikä Kiinassa?

## YHTEISTYÖ

6. Milloin aloititte yhteistyönne kiinalaisten kanssa?
7. Miksi ja miten yhteistyö alkoi?
8. Kuinka laajaa yhteistyö on/ Miten usein olette yhteydessä?
9. Missä osassa/kaupungeissa toimitte Kiinassa?
10. Minkälainen verkosto teillä on Kiinassa?

## VIESTINTÄ

11. Mitkä asiat ovat vaikeita yhteistyössä?
12. Miten olette ratkaisseet ongelmat?
13. Mitkä asiat sujuvat ongelmitta?
14. Millaisia kulttuurieroja olette huomanneet?
15. Miten huomaatte kulttuurierojen vaikuttavan?
16. Miten otatte huomioon kiinalaisen kulttuurin?
17. Miten kiinalaiset ottavat huomioon meidän kulttuurimme?
18. Vierailut Kiinassa?
  - miten ovat sujuneet?
  - minkälainen vastaanotto on ollut?
19. Minkälaisia ovat neuvottelut kiinalaisten kanssa?
  - miten eroavat neuvotteluista suomalaisten kanssa?
20. Onko tapahtunut jotain sattumuksia kiinalaisten kanssa?
  - mikä ihmetyttää/suututtaa/naurattaa?
21. Minkälainen on tulevaisuus kiinalaisten kanssa? Jatkatteko yhteistyötä? Miksi?