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Intercultural integration in Sino-Brazilian joint ventures

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Guilherme Azevedo

性相近 習相遠

"*Men's natures are alike, it is their habits that carry them far apart*."

(Mencius in "The three character classic")

The integration dinner

A friend of mine once told me a story. He had spent two years in Sweden studying mechanical engineering. There was a clear separation between the Swedes and the international students. The two groups lived in different places and, accordingly to him, the Swedes did not hang out or mixed much with the international students. There had been a polite relationship within the classrooms but a very low overall social interaction.

The courses were in English, already a second language for most of the foreign students, and they had not put much effort to learn Swedish. During the holidays the Swedes would go home, and the foreigners would stay at the university or travel in Europe. Most of the foreigners, as told my friend, had never been invited to a Swedish house or spent time with a Swedish family.

The foreign students gradually started stereotyping their local colleagues as being distant, never doing anything on impulse, and caring just about their own business. (I do not know what the Swedes thought of the international students.) After a year and a half – with graduation approaching – the administrators of the program decided to take action and organized an integration dinner. But things did not go as planned.

Arriving at the large dinning-table, the international students flocked to one part of the table and the Swedes to the other. As the dinner started each side group engaged in a separate conversation. After a while, perhaps being uncomfortable with the lack of integration in their integration dinner and encouraged by the wine, a local student tried to start a conversation with a foreign colleague. He interrupted a nearby Italian with a friendly question: 'So, why did you decide to come to Sweden?' The Italian stopped gesticulating and talking for a second, turned to him, quipped: 'Because of the weather,' turned back to his side of the table, and continued his conversation.

It was too late to start the integration.

I asked my friend if his colleague's reaction was not too rude. He reflected for a moment before answering: 'In retrospect, I think it was. But, at the time, I found it just right and very funny. We did not care about integration anymore.'

The end of the story is anticlimactic: the Swedes and foreigners finished their course and continued their lives. Perhaps they missed the opportunity of experiencing a richer intercultural exchange and forming a larger international network, but they got their degrees, and, in the end, nobody got hurt.

Organizations however are unlikely to perform well if composed of groups unable to collaborate productively. In this case, a better cultural integration certainly is needed.

Studying integration in multicultural organizations

Typical examples of multicultural organizations (*i.e.*, whose workforce comes from different cultures) are multinational subsidiaries abroad, international joint ventures, and international mergers and acquisitions. The academic literature is replete with examples of such organizations struggling with cultural integration and conflicts.

Interestingly, these texts (*e.g.*, Byun and Ybema, 2005; Pardi, 2005) very often repeat the plot depicted in the *integration dinner*: different cultural groups are put together; poor preparation, inadequate structure, and contextual factors conspire to make the integration difficult; a series of micro-dynamics prevents integration and increases the separation; negative stereotypes are developed as indifference mounts to cultural conflict; and, one day, people realize that it seems too late or too costly to pursue the cultural integration that would allow a fruitful collaboration. This is a trap to be avoided.

In this chapter, I tackle the problem of how to integrate different cultures within an organization. My investigation is based upon the direct observation of managers and workers that are *out there*, facing the issue of intercultural integration. This approach reflects Schein's (1996, p. 239) belief that 'organization studies will not mature as a field until we spend much more time in observing and absorbing these other [organizational] cultures [and in] learning to see them from the insider's perspective […].'

The case of Sino-Brazilian joint ventures

Looking for cases of combinations of culturally and geographically distant organizations, I became interested in the Brazilian joint ventures in China.

China and Brazil are almost at antipodes. If you could dig a hole in a Rio de Janeiro beach to get to the exact other side of the planet, you would miss China by just seven degrees. Moreover, they also appear to be at *cultural antipodes*. There has been virtually no historical relation between China and Brazil, and their national cultures are defined by unrelated or opposed traditions: Sino-Tibetan versus Latin-Romance language families; Confucianism, Taoism, and Buddhism versus Catholicism and Afro-American religions; Eastern millenary civilization versus Western new-world immigration land; single-party socialism *versus* multipartidary capitalism…

China and Brazil are very far apart, and we should therefore expect a lot of difficulties – or plenty of spectacular cultural collisions (Hamada, 1991, p. 5) – when Chinese and Brazilians try to work together.

I embarked to China with this prospect in mind. But, surprisingly, the Sino-Brazilian organizations I studied there were not particularly marked by cultural conflict.

I gathered the data through participant observation and interviews in China in June and July of 2006. I studied two Sino-Brazilian joint ventures, one with twelve years in China and another with four, and I collected some additional data during visits to a division of a US-Chinese joint venture managed by Brazilian expatriates and to a trade office representing a Brazilian company in China[i].

This data collection, although too short in traditional ethnographic practice, followed the principles of ethnography applied to organizations (*e.g.*, Schwartzman, 1993; Brannen, 1996) and took place within the organizations and in external spaces, including employees' clubs, homes, hotel lobbies, restaurants, parks, and even a traditional Chinese bath.

Intercultural integration

Tolstoy opens his Anna Karenina with the line: 'Happy families are all alike; every unhappy family is unhappy in its own way.' Similarly, in organizations, there are many more ways to fail than to succeed.

Particularly, one path to failure for multicultural organizations is the inability of developing a minimal level of internal intercultural integration. This common ground – or the path leading to this construction – gives better survival and success chances to multicultural organizations.

Based on my observations, and to state it clearly, the overall argument of this chapter is: that given a minimal set of preconditions, *a discourse of proximity* combined with *practices of micro-integration* leads to the emergence of *intercultural integration*.

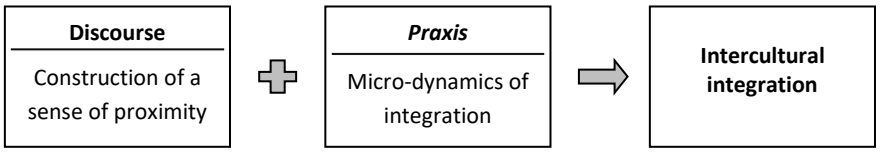

Figure 1 – Intercultural integration

The *construction of a sense of proximity* happens through the diffusion of a body of arguments indicating that the different groups are culturally close to each other. *Micro-dynamics of integration* are collections of practices and social norms that emerge within and around the organization to support an overarching integration. This simultaneous development of discourse and action allows the collaboration needed to reach positive tangible results (productivity, quality, innovation…).

The antithesis of this equation is the trap to be avoided: the construction of *discourses of difference* that feed *micro-dynamics of separation* and jeopardize any potential collaboration.

Construction of a sense of proximity

I call *sense of proximity* a certain set of discourses that, during my fieldwork, Brazilians and Chinese have put together to argue that they are closer to each other than one might usually expect. Their arguments referred mainly to individuals (the proximity and similarities between Chinese and Brazilians) and to nationalities (the proximity and similarities between China and Brazil).

Because we know Brazilians and Chinese are very different, the *sense of proximity* is collectively constructed as a partial selection of some objective similarities and by the approximate adaptation, exaggeration, or invention of others.

At the national level, for instance, they indicated this proximity by arguing that both countries share the same level of development: 'We are countries that are similar in development. It helps us to be together. We may have a feeling of being much from the same country (Chinese manager).'[ii] 'The Chinese treat you well. It is different than being in the US or in Europe. You are not going to feel discriminated by a Chinese because you are a "cucaracha"[iii]' (Brazilian director).

At the individual level, the *sense of proximity* is built as they unveil and emphasize similarities in behavior and values: 'The Chinese is, by character, very generous to those who are visiting him. […] This also makes them similar to Brazilians. In my view, the Chinese are the Brazilians of Asia. We have a lot in common: the talkativeness, the noise, the sense of humor' (Brazilian director). 'We [Chinese and Brazilians] have many things in common. We have football, we are friendly, humorous, and like

jokes. We are also very diligent. We work hard and seriously. We know how to make jokes and work well too' (Chinese manager).

As they point to these similarities, they draw generalizations based on their shared personal experiences. The relative cultural proximity is also communicated by *out-grouping* other nationalities (*i.e.*, by indicating that they are closer to each other when compared to other nationalities): 'I even think that we are closer to the Chinese than we are to some Europeans, as it could be the case of Germans of Englishmen' (Brazilian director).

> Working with Brazilians is easier than working with North Americans, French or even people from Singapore. It's amazing because [Singaporeans] have the same cultural roots as we have. But with Brazilians, it's easier because we treat each other as being at the same level. […] It may be more important than having the same cultural root or speaking the same language (Chinese General-director).

This is therefore more than just a sense of closeness based on cultural proximity. In some cases, the absence of previous cultural contact can also be an asset: 'I had no idea about Brazil before; just TV and newspaper showing big festivals and music. I saw information on the internet [and I saw] a lot of different people in Brazil' (Chinese supervisor). 'In general, they don't know much about Brazil […] If you are American or European there may be more restrictions. If you are Japanese, it is even worst. This is because of their history and the Japanese occupation during the war' (Brazilian supervisor).

The absence of a negative stereotype is already a good start. In particular, Brazilians in China have the advantage of not being associated with countries that, during the late nineteenth and early twentieth century, extended their imperial ambitions over China. 'For me, deep in the mind of Chinese people, there is always this feeling of China being vulnerable and underdeveloped. Maybe the relationship with Brazilians is facilitated because of this (Chinese General director). 'It is not openly said, [but] the Chinese […] tend to dislike the Western nations that in history tried to occupy and exploit China' (Brazilian director).

Obviously, not all international joint ventures may count with this advantage. If a negative image already exists, managers should make all the possible to not let a bad geopolitical past, history, or pre-existent stereotype play against the integration. The sooner the tendency is reversed the better, please remember the *integration dinner*.

Micro-dynamics of integration

The circulation of *discourses of proximity* allowed a close coexistence where real practices of integration could flourish. As we start to observe these practices (*i.e.*, the other side of the construction of a *sense of proximity*), we enter the territory of the various micro-dynamics of integration.

Within the organizations, the close coexistence has been encouraged and, sometimes, created by design. An example is a company policy that has made all departments deliberately mix: 'In the daily work there is really no difference because of nationality. The departments are mixed. That is very important. And both parts work very well together, compared to other programs I saw, really very well. We had no real hard time because of conflict' (Chinese Director).

Practices of integration also developed beyond the organizational gates. As the joint ventures started, many Chinese played the roles of hosts or guides to the Brazilians who, in turn, tried to match this generosity. The Chinese would assist the Brazilians and their families in shopping, finding leisure activities, and solving a number of day-to-day problems. They would invite each other to community and family celebrations setting a regime of reciprocity that also allowed a better understanding of the others' culture.

This also created the opportunity for the Brazilians to try to live beyond the Western ghettoes we sometimes see in larger Chinese cities. A Brazilian who had lived in China for more than ten years explained me:

> People should go out there and be exposed to see what China is really about. […] There is the guy who lives within what I call the 'embassies ghetto.' […] He may be in China for four or five years and won't see a thing. The same is true about the companies. The guy

> comes as an expatriate to work for, let's say, Volkswagen. He does not even like the Germans that much. But he works with Germans. And his neighbor is a German. And at night he goes with the family to have beer with the Germans. F***, If it was about living with the Germans he should go to Germany, not to China! (Brazilian director).

Activities beyond working hours helped reinforce the connection within the working environment. Most typically, people told me about the importance of eating, drinking (and even smoking) together to create strong bonds.

Another fine example of integration outside of work, which has occurred in both joint ventures, has been the creation of soccer teams just for fun or to play in tournaments involving other companies: 'After we put together the team the integration improved a lot. The Chinese really like it. […] They are playful but also take it very seriously. […] they 'give their blood' when playing against other factories. Soccer became an important thing here' (Brazilian manager).

Playing together, they have reinforced a close coexistence inside and outside the organizations. Indeed, playing and joking have become central to allowing Brazilians and Chinese to learn how to interact in a new cultural setting.

I have also observed that the progressive construction of an intercultural integration resembles a new acculturation. Children observe and play to, one could say, *learn* a first culture; and the freedom of playing also helps adults to *learn* a second culture. I comment on three particular aspects of such *re-acculturation*.

Reserving judgment and showing respect to others' culture

A fundamental basis to sustain the intercultural integration is to respect the other culture, show respect, and recognize the differences. 'You see people smiling and respecting other culture background. It is very important (Chinese manager). 'You need to adapt. It is as hard for them as it is for us. We need respect and humbleness from both sides' (Brazilian manager).

As a micro-dynamic of integration, this positive attitude toward the other complements the construction of a discourse of proximity that never denies the existence of real cultural differences. Proximity perhaps, but they have never expected the other part to fully understand their culture. Recognizing this limitation is important because it grants the other an intercultural slack that facilitates the integration: 'I don't think that a foreigner would understand [our culture]. […] The Brazilians are not Chinese so we cannot have the same requirements. Here we respect and accept the differences on both sides' (Chinese manager). 'It would be really difficult to reach a stage where we cease being 'the other.' We may get very close but it is always them and us' (Brazilian director).

Interestingly, they sometimes even developed mechanisms of social control against negative stereotyping or other behaviors that could jeopardize the integration climate:

> It all depends on the guy's posture. He may be someone who complains too much. He comes and: "I don't like this food," "this thing is dirty" [...] Tomorrow he is there again "this food is not good", "stuff is not clean". Nobody can bare a person like this! […] Here people have a good attitude. They don't like this complaining thing. They tell him to stop or even give him some silent treatment (Brazilian director).

The cultural guest goes the extra mile

Both groups had to make concessions. However, in the studied cases, the Brazilians were the cultural minority within the organizations and, even more so, in the Chinese society at large:

> We are the minority here. I think that this is very clear. […] Since the beginning here in China, we always tried to do the best to respect their way of working and be extremely careful to allow the longevity of the company here. You need to be careful when dealing with a different reality (Brazilian manager).

The Brazilians accepted to go the extra mile to adapt to the Chinese day-to-day activities. Except for those productive processes and managerial practices consciously transplanted from Brazil, all

remained as Chinese as possible. A Brazilian gave me an example of what he called a *policy of zero-concession*: the only changes to the factory facilities have been some Western model toilets.

Another commonly cited example was food:

> The food here is Chinese. We never tried to have it done the Brazilian way […] and I think the Brazilians take it with good humor. […] We could perhaps have some black beans or coffee brought from Brazil. But I think nobody ever asked. Many actually started drinking tea as the Chinese do (Brazilian manager).

This approach nevertheless produced some victims since adapting to the local Chinese food was problematic for some:

> Food for me is the problem, man. Now I have a strategy. I wake up a half-hour earlier to have time to a really reinforced breakfast. […] I get even some protein supplements. […] I think I eat three times more than in Brazil. Then, at lunch time, I just eat a little bit. I almost just pretend I eat. Some days it is ok. But others, […] the smell is already enough to make me sick. I try controlling myself but I know they can read in my face. They see I don't like the food and I feel embarrassed. […] The girls who serve are disappointed. But what can I do? […] There is some stuff that I really can't eat (Brazilian manager).

It shows how important it became to try not to offend the other group cultural sensibility. Interestingly, some Chinese downplayed such problem and put them in the *intercultural slack* bag: 'If Brazilian person don't like Chinese food. No problem. [There are] different food. I see Brazilian person like or not like. Not need to talk. Look at the face. Different food. In Brazil good food and food I don't like. No problem' (Chinese supervisor).

Overall both groups appreciated the collective effort of reserving judgment and showing respect, as they also appreciated policies to reduce separation. In one of the organizations, both Chinese and Brazilians repeatedly referred to a story that became part of their organizational mythology. Once the Brazilian partner acquired the 50 percent share that belonged to a European company, they unified the

cafeteria and eliminated a number of the benefits exclusive for expatriates, including memberships in social clubs used by foreigners and reserved meeting spaces within the company.

All these *micro-dynamics* – based on implicit social norms or explicit polices and managerial decisions –contributed to a progressive integration. As time elapsed and new cohorts of expatriates joined in, they also profited from the accumulated effort to build a positive image, which represented a sort of stock of goodwill: 'The Brazilian may be more integrative than other Westerns. But it is still very difficult. I think it is perhaps easier for us because of the Brazilians who came before. We profit from the good impression they've left here' (Brazilian manager).

Docking into others' cultural traditions

As Chinese and Brazilians interacted, particular cultural dispositions belonging to one side would eventually be adapted to frame the relationship between them. Here is an example:

> In my mind, [some] Chinese saw the Brazilians […] as teachers because [their parent-company] had strong experience and technology. And the Brazilians were happy to be the teachers because they appreciated that Chinese want[ed] to learn. You have to understand that in China the relation of teacher and student is very important. It is more like... [pause] more like the master and the apprentice (Chinese manager).

> They called him professor […]. There is something about being loyal to the one that teaches that is very important. […] So, when he went back to Brazil, I'm not kidding, there were these two tough guys from the assembling line with tears in their eyes (Brazilian manager).

A binary construction representing a hierarchical arrangement (as: master—apprentice, parent—son/daughter, older-sibling—younger-sibling, boss—worker, government official—citizen…) makes more sense for the Chinese than for the Brazilians. It exemplifies how sometimes the Brazilians got *docked into* some of the peculiarities of the Chinese culture.

As they progressively understood the others' culture, they also found ways of intervene without trespassing some cultural limits. The importance of protecting face to the Chinese is an example:

> A Chinese working in your team is going to do all the possible to not bring you information showing that a colleague of him has made a mistake. They do everything to protect a colleague's face. He is going to tell you he doesn't know, he forgot, or even that he lost that paper or file. […] by the kind of smile he has in his face you realize that he knows who did it but he is not going to tell you. This is very important to them. So, […] just respect it. Never force them do go against it and they will respect you for that (Brazilian director).

Moreover, sometimes they consciously used the others' cultural arrangement to serve a practical purpose:

> Their tendency to communicate so fast among them, this gossip thing, it also helps. […] For instance: there is a part that comes from the line with some small problem […], just a matter of aesthetics. You know who did the job. But you […] have to realize that if you talk directly to him the others will be paying attention and the person will be offended. So you just throw a comment in the air. You say it to anyone, […] as if you were passing by and just making a kind of generic observation: — 'hey. So, do you see this part here. It is quite good don't you think? It deserves perhaps just a bit more of attention here, in the finishing' and you walk away. Don't worry. The message is going to reach the target. It works much better than trying doing it the way we do back home. You can't change the way they are (Brazilian supervisor).

Some may see it just as a manipulative stratagem. I prefer to emphasize the sensibility of finding ways to achieve certain goals without disrespecting the codes of social behavior of the other group.

Beyond intercultural integration

Overtime, the intercultural integration effort leads to the formation of a common spirit, which may be translated in terms of common goals, shared feelings about the future, and identification to the success

of the organization: ‘We work together very well because the two parts have the same goals. We both want to make things better. […] In both sides people want to do a better job. The feeling about the future is the same’ (Chinese manager).

The differences between the two groups are always there, but the construction of a common identity is fundamental to achieve the tangible results that improve their survival and success possibilities. A Chinese General-director commented when referring to *a common vision* and to *a spirit of cooperation*:

> After the production started, [a Brazilian] vice-president gave a speech and […] said that the success of the joint venture could be explained by three factors: the common vision in terms of market and strategy, the existence of a spirit of cooperation, and the complementary strength of the two companies. I think he was right (Chinese General-director).

And he was proud to tell me so.

Conclusion and recommendations to practitioners

In this chapter, I have tried to examine how some Sino-Brazilian organizations in China have found their way to intercultural integration. As I observed and questioned managers and workers in these companies, they started telling me that Chinese and Brazilian were not that different. They were perhaps trying to convince me – and themselves, for that matter – that they were *naturally close*. But do not fool yourself: they are culturally very far apart and they went through difficult adaptations to work together. [iv]

They have creatively combined disparate pieces from different national cultures, working cultures, national histories, and geopolitical projects to develop *discourses of proximity*. They have recognized the differences and have given the other side the benefit of the doubt as they granted them *intercultural slacks*. They have made sacrifices, left their comfort zones, and put together many different *micro-dynamics of integration* to reach each other. They have worked hard to bridge an entire-world of differences.

Finally, as they have allowed themselves to coexist very closely, they have discovered ways of interacting positively, acting without violating the other cultural sensibility, and have ended by creating a tradition of respect, collaboration, and common spirit.

Many indeed have adopted a posture that resembles what anthropologists call *cultural relativism*. They have tried to appreciate and understand the others' cultural tradition for what it was, to reflect on their own reactions, and to not use their own cultural conventions to judge others' cultures. They have made a huge effort to create a positive climate, to empathize with *the other*, and to not burn the fieldwork as they have tried to leave a better stereotype behind them.

I am not saying that they were all playing the anthropologist but some were very conscious of their discoveries as they were being acculturated into the new setting.

Nevertheless, the final point here should be what may be learnt from this study.

The specific steps they have taken have helped their intercultural integration. But these are not necessarily applicable to other multicultural organizations, to other South-South combinations, or even perhaps to other case combining Chinese and Brazilians. The proposed generic argument however shows that discourse and practice can be complementary. Despite the unquestionable cultural differences, people can work on similarities to build integration while, very much at the same time, acknowledging differences but not letting these be crystallized as positions of power or arguments of cultural superiority (*e.g.*, 'we know better' or 'our food is better'). Moreover, showing respect and sensibility toward *the other*, the eventual emerging hierarchical dispositions (as in *teacher* or *boss*) can be positively integrated to the local context.

I believe therefore that the main contribution of this chapter is to show that a *discourse of proximity* might emphasize an integration intention that might, and should, be pragmatically supported by a combination of social norms, polices, and widespread practices at the micro level.

Why going to China?

To close this chapter, I get back to where it started.

In the fieldwork, I many times asked the Brazilians the same question the Swede once asked his Italian colleague: 'So, why did you decide to come to China?' and I got all kinds of answers related to career goals, financial rewards, and personal reasons. But what I really found fascinating were the things they told they unexpectedly learned after actually getting there. Many passionately told me their discoveries about the Chinese and their reality. Even more surprisingly, they also made many discoveries about themselves and about what it means to be Brazilian.

In conclusion to this chapter, perhaps a valuable advice to an executive searching for people to work in multicultural organizations is: look for those who are willing and motivated to make sacrifices in order to learn about the others and about themselves. And, if your candidates ask you: 'So, why should I decide to go to Sweden?', you may now have a good answer.

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[i] Respecting the research agreement, I must conceal all information that potentially identifies people, organizations, products, processes, or technologies. The data has been collected mainly as notes taken during observations and interviews. Tape-recorded interviews were not always allowed or desired: top management had concerns about organizational politics and protection of "industrial information" and employees tended to express more "official" or "socially-desired" version of their own opinions when exposed to tape-recording. Nevertheless, nineteen open-ended interviews of about 50min have been tape-recorded.

[ii] All quotes are from Brazilians and Chinese working for Sino-Brazilian joint ventures in China. Quotes originally in Portuguese have been translated into English.

[iii] *Cucaracha* is the Spanish word for cockroach. The interviewee refers to a pejorative term for a Latino-American migrant to more developed economies, particularly to the US.

[iv] Space constraint made me give more emphasis to the Brazilians' adaptation, but the Chinese's effort to adapt to a new organizational context has also been considerable.