

# THE ROLE OF CULTURE, LANGUAGE, AND ETHICS IN GLOBAL BUSINESS

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## Abstract

Global business is the key to creating a better economy. Businesses across the globe need to work together in order to survive. Businesses need an understanding of other countries through research and implementation. Companies which devote time and effort to adapt to the countries they plan to do business in will be successful. Businesses need to realize that it takes more than a good speaker or savvy manager in order to compete in global business. Companies need to successfully understand three important aspects of business before they enter a foreign market. The three aspects are culture, ethics, and language. Understanding other countries culture, ethics and language are invaluable to creating a successful business internationally. These three aspects are the learning foundation of entering a foreign market and without them there will be no way to succeed. It takes time and commitment for a company to learn and understand the culture, ethics, and language of a potential country. No amount of studying and research will be able to show the company the rules and norms a certain country lives by. These aspects of culture, language, and ethics can only fully be understood through firsthand experience. All the training and education a company injects into their employees is useless unless there is total commitment from the managers and employees to prepare for conducting business abroad. Some aspects of global business are similar to taking a class abroad. The reason you take a class in another country is to broaden your skills and improve your understanding of other places. The traditions of a countries culture are essential to the student's success in studying in that particular county. This is similar to the norms and cultural quirks which businesses must understand in order to be successful in other countries.

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**Keywords:** Culture differences and adaptation, language and communication, ethics and decision making, and networking in business.

## Introduction

Culture can be defined as “the collective programming of the mind which distinguishes the members of one group or category of people from another.” Another definition is that Culture is defined as the specific learned norms of a group's attitudes, values, and beliefs (Daniels, et al, 2011). The differences between two or more cultures may create problems which make the business tough to manage. Therefore firms need to learn the rules of the game and make an effort to mimic the cultural values and norms to show the countries they are in that they respect their values and beliefs. Otherwise firms will be destined for failure.

From an ethical standpoint, a business that is abroad must follow the rules by the book. A business must accept and adhere to government laws and policies no matter what country a business is located in. But, there needs to be a balance of understanding from both the business and the country they are doing business in. Businesses must draw the line on certain ethical dilemmas such as how women in Islamic countries are viewed and treated. Businesses cannot expect to use the ethical principles from one country and have success in another county. There has to be a set of guidelines businesses must follow in order to meet

particular country's demands. Decision making tools are necessary to improve a company in foreign countries.

Speaking many languages in the business world is the foundation for communication across multiple countries. Not being able to understand your clients or foreign business workers will ultimately end your business. A company will not be able to perform because of this barrier and have no idea what is being asked or requested. People in different parts of the world have different interpretations and attitudes towards business located in the United States. It is important for an American business to realize that entering a foreign country without knowing how to speak the primary language of that particular country will be a huge barrier for entry. The citizens of the foreign country need to be able to communicate with any outside business trying to enter to grasp their purpose of entering.

### **Data Collection**

In order to acquire the information necessary for this research paper, the researcher was able to utilize local primary sources and the library's vast secondary sources. Using both primary and secondary sources allowed us to obtain in depth information from both angles on how culture, language, and ethics are three of the most important variables in an international business venture. Only after interpreting and analyzing the data, the researcher was able to successfully report the results.

To fully comprehend the influence of culture, ethics, and language on international business the researcher's main priority was to get a first person view on the subject by conducting an interview with a leader who is familiar with international business. Through an interview the researcher was able to establish how a leader or company views the importance of culture, ethics, and language when they are conducting business. Conducting the interview was the researcher's most valuable source when constructing this research paper. Obtaining a first hand or primary source gave the researcher ability to go beyond the books and articles to acquire a more in depth understanding on how crucial culture is in global business. The questionnaire consisted of questions that tried to make a distinction between ethics, language, and culture so that we could determine their value. This allowed researcher to clearly compare and contrast data collected from secondary sources. Asking questions such as "What cultural differences play into your decision to choose one country over another when it comes to establishing a presence in a foreign country? (i.e. type of government)" permitted us to evaluate a leader's view on what variables are most important.

### **Literature and Results**

Throughout the literature reviewed for this paper, one main theme occurred constantly. Culture, ethics, and language present a direct impact on the way businesses interact globally. Preparation is a key factor in the percentage of successful international organizations and unsuccessful ones. The manner in which organizations treat new customers and employees in foreign markets through business ethics differs in any given country. International organizations that have recently entered a new country's market know the difference it can make between having an outsiders point of view on the local language versus having a perspective from someone who has lived in the country. Traditions and culture can create clashes between employees and management and even ruining an organizations representation within the new country.

### **Culture Differences and Adaptation**

Culture differences between an organizations home country and the new international interest are far from an easy obstacle to overcome. Throughout the research there was a pattern of success for companies who learned the culture extensively especially in terms of how people interact with each other within the new country. "Not only do nonverbal cues help

us interpret verbal messages, but they are also responsible in their own right for the majority of the messages that make up human communication. This means that posture, hand gestures, facial expressions, eye contact, proxemics, and touching” (Gary P. Ferraro 2002, pg 8) have an impact on how people react to a new organization entering their country. All of these tendencies and nonverbal communication tendencies of other countries citizens and potential employees or business partners play a crucial role in the success of international organizations.

Of course not everyone in the world acts the same or has the same needs as the international business’s home country. Therefore businesses have to accommodate to their various surroundings based on the demand of society. Cultures vary throughout the world and change constantly. These changes and differences must be addressed by any organization attempting to conduct business. A specific company that has had continued success in recent years over many international ventures is Walt Disney. Walt Disney opened Disneyland in 1955 and within one year there were more than one million visits. Now there are near fifteen million visits each year. With Disney’s overwhelming success in the United States, the opportunity to expand and grow presented itself as a vital addition to their already impressive organization. Like any company, their goal is to seek out potential consumers around the world and meet their needs in order to gain a profit. They of course need to have the right tools for decision making to send employees overseas and the method in which to market their product in particular countries. A division in the company was created that actually lays out the blue prints to improve globalization around the world. This division is called Walt Disney International. They are constantly going to different countries trying to see what particular markets have interest in them. Trial and error occurs constantly because they do not know which aspect of their company fits best with the new country’s culture and with their own goals in terms of revenue. Disney needs to evolve and transform in order to achieve their goals, “more accountability and decision-making authority are being shifted to local managers so they can determine which Disney brand, franchises, and characters are most relevant and emotionally resonant to consumers in their markets” (corporate.disney.go.com). Only leaving their headquarters and visiting a possible new international opportunity is not enough. An American employee making an assumption on another countries culture based on a few visits has a high risk. Disney products need to replicate the type of culture that is already present in the new country in order for them to breed success. Their products must be designed and built as if they were created within that particular country. With the employment of local managers, Disney is able to learn specifically ways in which to improve sales by relating to the current culture. Disney has seen its share of success and failure in international business but still shows profits because of their discipline to doing research and learning from their mistakes.

In order for Walt Disney to be successful in other countries they need to actually take the culture and create new and inventive ideas that suit the country in which they want to do business in. Walt Disney, utilizing their Walt Disney International department’s research on Russian culture wanted to create a movie that would relate to Russia. “Disney’s first locally-made-Russian film, *Book of Masters*, an adventure story based on traditional local tales, opened to strong box office and positive reviews in late 2009” (corporate.disney.go.com/investors/annual reports). This film presented Russian ideals and had a strong cultural reference. Many Russian people can cherish it because it is their very own, similar to the reaction to *Snow White and the Seven Dwarfs* in America. It was exclusively designed to be successful within Walt Disney’s new international business venture and because they focused on Russian culture the movie was a success. Disney may have started in the United States but they are beginning to act like they have no one real home. With all the effort they are putting into research for international opportunity they are beginning to see the world as their playground. With Walt Disney now focusing on a global agenda, many countries are enjoying the magical experience they provide.

Disney may be a successful company but success just does not happen all by itself. Adapting to Russia's culture was not an easy task for Walt Disney to perform. Where it all started was Tokyo, where the first foreign park was built. It opened in 1983 and that's when the Disney Corporation knew it needed to continue its growth Disney knew it needed to provide its services across the world. They knew that if they located themselves in the East they could easily draw attention. It was an immediate success however if it wasn't for the wide popularity Disney would not be as successful.

When the Hong Kong Disneyland opened September 5<sup>th</sup>, 2005 it was not so successful. There were changes that need to be done in order for business to be successful. Jonathan Matusitz wrote an article about Disney's successful yet challenging globalization process in Hong Kong. He explains that there were four changes of labor practices that were needed to be in order for Disney to have its two feet planted in the ground. "From a globalization perspective, four major changes were made: (1) reduction of prices; (2) adaptation to local visitors' customs; (3) change of décors and settings; and (4) adaptation of labor practices". What wasn't working was that Disney's new park in Hong Kong "demonstrated too much Western cultural imperialism (Jonathon Matusitz, 2009, pg 2)." and needed to fix this situation by providing other means of pleasing the Chinese culture. The changes that were made are clear examples on how any company needs to look into and research about before they open an establishment. It shows that culture is an important aspect to remember when a company is to globalize is industry and venture across into another country. Disney's major problems were the labor practices. If the general population is not open and friendly then the people working in the park should not be up in your face and smiling all the time. Even though happy employees makes a happy customer, too much of a good thing can be bad. That was something Disney had to learn the hard way.

### **Language and Communication**

To discuss language and how it pertains to international business the researcher decided to research a company that does business internationally. The company the researcher chose to research to see how they manage language differences is called L-3 Communications. L-3 Communications is the sixth largest defense company in the United States, and is a leader and prime defense contractor in intelligence, surveillance, secure communications, government services, training and simulation and aircraft modernization and maintenance.

L-3 Communications Corporation has 101 business units worldwide and more than 60,000 employees. Their offices span to different countries like Australia, Canada, Germany, United Kingdom, and United States. In order to communicate with the different countries, there has to be a common language between the parties. Even though there are English speaking countries where L-3 conducts business, there are other countries that don't utilize the language as much. L-3 doesn't take the chance to go in to do business with another country and just hope the country speaks English along with their native language. The corporation takes into consideration the differences and thus makes proper adjustments and accommodation to make sure that there won't be language barriers. "Globalization has called for the use of one common language", that language is English because English speaking companies contribute to 40% of world output (Peng, 65-66). L-3 communication hires employees not only from US but from countries where they're doing business. Also hiring multi-language speaking employees as well as training helps to gap the language and communication barrier. L-3 Corporation realizes the need for understanding between employees that speak different languages and they take different actions in order to meet that need.

Starting with L-3's code of ethics and business conduct policies, they are done in different languages in order to communicate their policy to the non-English speaking

employees. They have especially dedicated website l-3code.com that is designed in different language where l-3 does business so that ethic policies can be reviewed and complaints can be made to the company. Very interestingly not only l-3 Communication Corporation acknowledges the difference in languages and how it's crucial in communication but they have a designated report on Code of Conduct in different countries where they do business. Because different countries have different rules the company employees need to be aware of those rules. The company's website has code of conduct for different countries like Australia, Canada, China, Denmark, Germany, India, Ireland, Italy, Korea, Netherlands, Norway, Singapore and United Kingdom. The Code of Conduct for different countries is different. For example the code of conduct for Korea includes information about bribery, Anti-corruption Act, gifts and entertainment with non-government persons, and fair completion. For Singapore the document covers things such as avoiding kickbacks/soliciting and receiving gifts and entertainment, avoiding bribery and improper payments, insider trading, avoiding conflicts of interest, maintaining accurate books and records, confidentiality of information, competition laws, drug and alcohol abuse and many other subjects and laws that pertain to that country. "As companies expand internationally and their foreign operations become more dispersed, language differences begin to influence inter-unit and intra-unit communication" (Rogerson-Revell, 2007, 2008). "To reduce the negative effects of language diversity, multinational companies (MNCs) have formulated language policies, that is, formal ways to decide which language is used in corporate communication and documentation" (Marschan-Piekkari, Welch, & Welch, 1999a). Such languages are chosen to make the communication and understanding easier. The language is important because many aspects of business have to be communicated through it. From institutional based view some examples include language training for local employees in countries other than the original country, training and development, recruitment and selection, and performance appraisals.

### **Ethics and Decision Making**

Ethical decisions in international business are paramount to the success of a company operating in a foreign country. There are two different views when it comes to companies making ethical decisions which are not "fiscally advantageous" for the company. The first view explains that making decisions which are socially responsible and ethical will lead to maximization in shareholder wealth in the long-run even if they are fiscally unfavorable to the company in the short-run.

Milton Freeman argued that corporate managers should be legally restrained from deviating from their proper role of maximizing shareholder value. Various positions – that corporate social responsibility is 'bad capitalism school', that weak corporate social responsibility is 'bad development', that capitalism can make 'hardly any corporate social responsibility', and that corporate social responsibility is nothing more than 'good capitalism' and therefore not worth thinking about in its own right – being discussed and debated (The Ethics of International Business, 1996, p. 563) . Many companies are switching their view of corporate social responsibility toward the stance of maximizing shareholder wealth even if the decisions made by the company do not directly increase profits. Other companies see corporate social responsibility as bad capitalism and a myth to maximizing shareholder wealth. "While the corporate world is increasingly seen to be articulating its regard for social responsibilities, critics continue to see this as more a myth than a reality, since corporate capital is, in the final analysis, interested in accumulation alone" (The Ethics of International Business, 1996, p. 563).

Coca-Cola is a world leader in the soft drink industry. The company's wholesome family brand image in the United States is very different in other countries such as India. Coca-Cola faced major criticism from the Indian country of Kerala after there was a depletion and degradation of the country's water table. The Coca-Cola plant was shut down

immediately and was blamed for the poor quality and quantity of drinking water available to farmers in Kerala. The bottling plant in Kerala has been shut down since March of 2004. This incident created unwanted criticism toward Coca-Cola from the most populous country in the world. Kerala demanded a ban of Coca-Cola in the state. A High Power Committee established by the state government of Kerala in India has recommended that Coca-Cola be held liable for Indian Rupees 216 crore (US\$ 48 million) for damages caused as a result of the company's bottling operations in Plachimada. ([www.indiaresource.org/news/2010/1003.html](http://www.indiaresource.org/news/2010/1003.html)) The criticism Coca-Cola faces is due their own negligence in choosing an ethically irresponsible way to create their product.

Coca-Cola has also faced criticism over the level of pesticides found in their products in India. The Coca-Cola products in India contained dangerous levels of lindane, DDT, malathion and chlorpyrifos. Coca-Cola said sales in India declined 11 per cent in the third quarter of 2003 due to "false" allegations that its soft drinks contained a high level of pesticide (business-standard.com/india/news/coke-sales-fall-11pesticide-controversy/159950/).

After facing criticism from India and pressure from neighboring countries Coca-cola decided to pledge to support the UN Global Compact. Coca-Cola changed its stance on corporate social responsibility from a second thought to "incorporated into every aspect of doing business." The UN Global compact seeks to promote "responsible corporate citizenship so that business can be part of the solution to the challenges of globalization" and work toward a "more sustainable and inclusive global economy" (Community-Coca-Cola Interface, 2007, p.106).

The interview with Charlie Fusco granted the researcher access to a firsthand view on the importance on fully understanding a markets language, ethics, and culture before embarking on a business venture. Mrs. Fusco is the owner and CEO of Synergixx LLC, a company with the slogan of "building your brand through direct response synergy."

Through the interview the researcher was exposed to her views on culture's effects on the marketing aspect of international business. Being in the international marketing business for over a decade Mrs. Fusco provided the researcher with a plethora of information. When asked about the importance of understanding your markets culture Mrs. Fusco replied, "successfully marketing foreign products is no simple task and requires a vast amount of information about a countries overall culture" (Fusco, 2010). Does Culture Matter provided additional information on Mrs. Fusco position when the authors stated, "An understanding of how culture differences affect international marketing decisions is important to a firm's external operation. It can be used to predict strategic moves and response of competitors and hence design effect competitive strategies." (Tse, Lee, Vertinsky, & Wehrung, 1988, p. 81).

### **Networking in Business**

Networking is essential in business whether it be local or international. Through this research the researcher was able to determine the importance of networking in specific examples of such as "International firms collaborate with local firms in emerging BRIC countries to obtain exposure to their consumer markets and local firms collaborate with international firms for an introduction to the international business turf" (Gupta, Navare, & Meleware, 2010). Mrs. Fusco believes her ability to network is her key tool in gaining a competitive edge over her competition. When asked what culture differences play into your decision to choose the market with the maximum potential, Mrs. Fusco responded "Through many years in this business I have built a network of colleagues that I seek advice from whenever I am determining which area would provide the best chance for success. Their input on current values and trends in their own market has been the deciding factor for me on countless media buys." (Fusco, 2010). The interview with Charlie Fusco gave the results

desired by the researcher with determining of the vital aspects of trying to penetrate a new foreign culture.

### **Discussion and Implication of Culture, Language, Communication, Ethics and Decision Making**

Culture differences may be the most overlooked factor when it comes to doing business globally; however in many cases it can make or break an organizations success globally. Cultural differences exist in almost every place on Earth. Even in the United States the difference from the east coast to the south is obvious. From traditions to food to religion, cultures differ tremendously across the globe and many times businesses overlook this.

After researching about Disney and the problems they faced when entering a foreign market companies can now be warned. The lesson learned is that even a good thing in one country can turn into a bad thing somewhere around the world. To fix the problems that were occurring was simple. Have a theme park that directly reflects the daily lives of the Chinese culture. That means make them feel at home. Adaptation was the most important part of providing for the Chinese. For example, here in America we celebrate New Year's Eve. The Chinese culture celebrates their own holiday. Therefore, "Disney's Chinese New Year, are shown in the park to celebrate main Chinese festivals" (Jonathon Matusitz, 2009, pg 2). This shows Disney not changing the park but providing a better atmosphere for the Chinese culture to relate to and understand. They need something to grab hold of and be part of so they can feel somewhat astonished that their expectations are right on target. Otherwise they would feel confused and lost while also clearly seeing the Western customs cared over. Disney tries to make the Chinese community feel that this park is special for them and unique. That was their goal for combining cultural traditions into an international worldwide company. Even a company like Disney can have problems because it is so hard to pin point every little detail. That was the risk they took and it made them see clearly what needed to be done.

It is easy to overlook cultural differences when beginning to extend an organization globally. Many businesses solely look at numbers when deciding if it may be a good decision to enter a global market. From the research done, it seems to be the biggest mistake for a business looking to expand into a global market to overlook the possible cultural differences within that market. Yes the numbers matter especially when deciding if it may be opportunistic for a business to enter a new country, but it is the cultural differences that will either bring success or hinder a company's ability to obtain that same success. Cultural differences range in a variety of things including some of the simplest of things like greeting an individual. In the United States, greetings can be seen as too casual and inconsiderate. Many countries, including some in Africa prefer a more in-depth greeting, one that shows much more respect toward the individual.

Mistakes that are made when entering a global market can last a lifetime. A company's reputation can be ruined with just one mistake. "In 1983 Columbia pictures produced a four-hour movie set In Egypt that resulted in the banning of all Columbia pictures in Egypt. The Egyptian authorities were offended by the numerous inaccuracies that included accent (Pakistani), clothing (Moroccan), and behavior (American). The late Egyptian president Gamal Abdel Nasser, for example was portrayed publicly kissing his wife- an unacceptable act in Egypt and in many other countries (Ricks, David A., 1993). It is so important to understand everything about a countries culture before beginning to do business there because just one overlooked detail can put a close on an entire project. The way in which Columbia pictures conducted their business in Egypt led to a complete ban in that country. Because Columbia pictures did not do research on the way in which the Egyptian culture sounds, looks, and behaves, they failed their business venture into Egypt. Lessons like the Columbia Pictures incident serve as examples for organizations doing business internationally. Putting these attributes that people actually care about is detrimental to any business.

Customers are the number one priority and without their expectations met they will not be happy. If the customer's expectations are not met then there needs to be new ways to discover how it will be. Questions a business must ask themselves is what ways can we improve our business and in the cheapest way.

Businesses entering a global market must understand that while some behaviors may seem like minor details to the organization, they may actually mean much more to the local people. Treatment of employees is essential to keeping a business successful. Many businesses and organizations in the United States give employees coffee breaks at different times in order to keep the organizations efficiency as high as possible. Unfortunately carrying that same policy over into a new venture in another country may not work, as was the case for General Motors of Canada. "General Motors of Canada reported that it sustained a forty-seven day strike during the 1967 contract negotiations over the issue of the coffee break. This is a ten minute rest period scheduled twice each day at all plants. It is a complete shutdown of all operations – an uneconomic practice compared with the rotating rest period, which the company favored, where only a small number of workers are away from the lines at any given time. In the end, management capitulated to the unions on this issue because the workers had become so emotional and adamant over it. Management stated that there was no compelling rationale to the workers position; it was something that they customarily expected and valued" (Kujawa, 1971). In the case of General Motors of Canada, the organization overlooked the value of a break between employees. The employees in Canada felt strongly enough about their breaks with each other that they went on strike. In America it might be unheard of for a group of workers to strike due to a coffee break issue but other cultures value the unity experienced in one shared coffee break.

Drawing lessons from businesses doing businesses globally including Walt Disney, it is clear that research, preparation, and training all play crucial roles in the success of an international business venture. Training may very well be one of the most important steps a business must partake in if they are expecting success. By making people in a business aware of how another culture behaves and interacts, businesses are lowering their overall risk. A good lesson learned and one that many businesses doing business globally constantly partake in is international training. With employees of a company well aware of culture tendencies, businesses are becoming better prepared for new global business. Businesses must be comfortable enough to work within other countries and in order to do so they must do their homework and study cultures so they can adapt to their new surroundings. First impressions made between two potential business partners across countries can make or break a global business. It is important to give international business partners the respect they deserve. Not only from the perspective of the businesses home culture, but that of the new business partners culture as well. "Even the rejection of a cup of coffee can cause major problems. While a very profitable opportunity was being negotiated, one US executive innocently made the mistake of refusing a Saudi Arabians friendly offer to join him for a cup of coffee. Such a rejection is considered an affront in Saudi Arabia. Naturally, the Saudi became much less sociable and the negotiation process was far less successful than it might have been" (Ricks, David A., 1993).

Culture is the make-up of society and therefore should not be changed or persuaded to change by other countries or organizations. It is important to also realize that with every culture, laws and ethical issues will be considered because of the way particular societies practice. Therefore studies conducted must be carefully acknowledged in order to help businesses implement the best strategy for doing business internationally. Not every company will be successful upon entry to a new market. A foreign company must be strongly connected with the native company so that there is a strong relationship. Two countries need to have similar perspectives about their overall goals and having research on a countries culture will certainly benefit an international business looking to expand.

Starting from the beginning,” language, as the generally agreed-on, learned symbol system, used to represent the experiences within a geographic or cultural community” (Samovar, Porter, & Jain, 1981). From gathering information about language and its effect on international business, we can conclude that without a common language or a communication policy business can’t exist. From the information we gathered from L-3 Communication Corporation we can conclude that language and communication is very important when stepping into outside countries to do business. The results from the research we did from L-3 communication company were first that you had to make policies and procedures in every language where you are selling your product or service, second is that you need to hire bilingual employees and third is that you have to make the code of conduct clear for every country you are doing business.

L-3 communication decided to put up the policies and procedures in the different languages where they do business. They put these documents online so that they can be easily reached by anyone in any country and you don’t have to have the knowledge of the English language to understand what the policies are. Another important factor we learned about language and communication international businesses is that you need bilingual employees that speak both English, in L-3’s case, and the language where they are doing business internationally, for example Korea. “Scholars have argued that Multi-National Companies should use a common corporate language for internal communication and local language(s) in host country market(s). This strategy requires a substantial portion of employees to be bilingual” (Van Den Born, 2010). Another very important piece of information we have learned from L-3 Communication Corporation is the importance of understanding different cultures and code of ethics and behavior when entering other countries for business. On the company’s website they listed all the countries where they do business and they compiled files about each country and the important information in regard of code of conduct and behavior. We have discussed in class the importance of understanding culture and proper behavior when it comes to doing business internationally in other countries. L-3 Communication Company has done all the things mentioned above in order to make the communication and language barrier and issues smoother.

Some further data that could be collected in order to be able to do more research on the topic of language and how it affects international business, we would have to take other international companies and research how they manage this subject.

According to Mike W. Peng of Global Business, ethics is defined as the principles standards, and norms of conduct that govern individual and firm behavior. Ethics is part of both informal institutions and part of formal laws and regulations. One major problem with ethics is the discrepancy between actions and behaviors which are deemed unethical yet not formally illegal or against the law. This gray area is where a company’s business rules must cover what is ethical and what is unethical. The grayness surrounding ethics throughout the United States companies may seem immense, but when corporations go global these ethical concerns are magnified greatly.

Companies which decide to go international must decide how they are going to choose to manage their ethics in foreign countries. International companies must be able to manage what the company believes is ethically correct without disrespecting the ethical ways of the foreign country. The thin line company’s must tight rope is essential to the success of the company in other countries. According to Peng, companies use one of two views on ethics in other countries. The first view is called ethical relativism, which could be defined as conforming completely to the ways of the country they are in. If a country does not eat beef, we do not eat beef, if the country does not allow women to work; we don’t allow women to work. The second view is called ethical imperialism. Ethical imperialism says, “There is only one set of Ethics, and we have it.” This view takes the parent countries views on ethics

and applies them to other countries because what is ethical in the United States is ethical in France is ethical in Egypt.

Giant multinational companies such as GAP, Nike, Coca-Cola, and Wal-Mart are always under scrutiny from the public eye. For giant companies, making decisions which are unethical seem very easy because of the financial benefits that result from their choices. For example, a company may realize that dumping their waste illegally into nearby water sources and settling a potential lawsuit will be cheaper than the cost of properly disposing of their waste. Companies who take the easy way out to increase profits are not ethically responsible. There will be short-term benefits to the company's decision to illegally dump which will increase profits and lead to maximization of shareholders wealth. A company which is revealed to have been knowingly dumping in a foreign country will see decreases in sales, profits, and see their image destroyed. The short-term success will be ruined by a company's lack of ethical responsibility.

Corporate social responsibility is a key concept of ethics in international business. Should a company make fiscally irresponsible decisions in order to help the environment or give back to the community? This question epitomizes the definition of corporate social responsibility. Many people oppose corporate social responsibility due to the fact that it is 'bad' capitalism. Those who have this view see corporate capital as the final analysis and this alone determines the success of the company. Coca-Cola found itself hated in the most populous country in the world due to their ethical negligence in how they operated their plant in India. Coca-Cola now faces an uphill battle to redeem its tarnished brand image in India in order to stabilize sales in this precious country.

Mrs. Fusco is a woman who has an abundance of experience in international business and the researcher's interview with her awarded detailed results to interpret and draw lessons from. Via her instructions the researcher now knows the importance of fully understanding your markets language, ethics, and culture before one decides to penetrate a foreigner market. Her reference on a cookware product from Germany that succeeded to effectively penetrate the Australian, New Zealand, and American markets due to their development of specialized commercials for each country was insightful. By specializing each commercial for each countries preference in food and language they demonstrated how valuable creating a specific marketing strategy for each culture can be. In general, culture differences should be the main focus when planning for international marketing. Conversely, being able to analyze culture differences is not a simple task and cannot be done effectively from simply secondary sources. From the interview we were able to conclude a company must network with those from the country or culture they are attempting to venture in to if they wish to gain an in-depth sense for the foreign countries culture. As Mrs. Fusco said, "networking is the key when you are trying to penetrate an unfamiliar culture" (Fusco, 2010). The interview allowed researcher to relate the theories and how we can put them into practical real life situations. Comparing theories from both Mrs. Fusco and secondary sources was crucial in understanding their implications.

## **Conclusion**

Not everyone has the same language ethical code of conducts and culture, or the same values. Any company who plans to conduct business overseas or abroad needs to know these fundamental aspects of a particular country or more before they embark on a business trip. English is not the universal language around the world or handshaking with a right hand is another norm, because it's not. It is important to learn every single detail to properly present yourself respectfully in front of another business representative. Being rude is the last thing you want to be so you must be prepared. Therefore, abrupt surprises should not occur if a company has thoroughly implemented their time to have a full awareness towards which who they're doing business with. Sudden surprises such as miscommunication could occur if and

when your company does not know background information. Information about how attitudes, languages, and perspectives may change depending on where you are in the world. So in order for a business to successfully grasp what they need to do to accomplish their goals they need to be able to understand the cultural differences within the country they are entering. International business depends on those aspects and is a necessary tool of the trade for being successful abroad. The mentioned businesses showed great examples of failure to explain in detail what they needed to do to overcome their problems and make a successful turnout. The companies also had positive business plans that were enough to make the changes necessary to make the country they were working in accepted. International business is a great way for new and existing companies to enter new markets but without the research and or firsthand experience of how the each country operates there is no way to tell how entering or establishing will result.

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