The analysis of cultures and the impact of cultural differences is particularly difficult to examine in the classroom. The Self-Reference Criterion (SRC) is a means of operationalizing cultural analysis and business decision-making. Problem solving exercises designed to identify a person’s SRC, and as a means of resolving this extraneous influence to business decision-making.

INTRODUCTION

In 1979, Won Itsu and Lee Sanger formed a partnership. Won, a native of Hong Kong, was a merchandiser who had "connections" in the People's Republic of China. Lee was a successful marketing executive with a major English toy manufacturer. Together their H&S Import Company would produce bicycles in the People’s Republic of China and ship than worldwide for sale to selected retail distributors. In 1980 the H&S Import Company declared bankruptcy.

It seems that the problems were many, First, Won’s “connections” went out of favor with the People’s Republic of China government. As a result, the license to manufacture bicycles was at first delayed and then later was issued only with the provision that H&S pay substantially higher “fees”. Second, Won was unable to successfully manage the People Republic of China plant. Their local workers literally revolted when Won instituted work scheduling concepts that had worked well in Hong Kong. Third, Lee had misinterpreted the world markets for bicycles. His designs were functional and suited for "home-to-work" commuting.

But the market demanded sleek touring-type bicycles and H&S couldn’t oblige.

Such situations are all too common in business. There are some few ideas that appeal to a few; an even smaller number of ideas that appeal to all. Most ideas could appeal to most people worldwide if they are carefully marketed and are modified as necessary.

This is the dilemma of the multinational business. On the one hand the world is a collection of unique places, people, and events. Each culture requires a special bicycle - one “unique bike” suited to their own particular needs. To the other extreme is the “world bike”. This bicycle appeals to all, and is adapted by all cultures without modification. But between the world and the unique bicycles are the “codified bikes”. These are the products which must be redesigned to meet the peculiar needs of same societies, yet may also be “local” enough to be widely demanded by other societies.

GENERALIZING UNIQUENESS

One of the major difficulties one encounters in teaching business courses is that of developing generalized principles in an area of uniqueness. Each country is unique. One can take a historical approach to the culture, noting the historical development of each unique event. Each culture necessitates a separate investigation and analysis.
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Americans were supposed to look. To this day I still fail to immediately associate them with their home country culture because they don’t look like they’re supposed to look.

The use of the SRC is predicated on this notion of foreigners. Its use (correctly) assumes that an average person will perceive that foreign situations require unique solutions; one cannot generalize about a foreign/different situation because that situation is unknown. Or, one’s experience with a foreign culture become solidified, and one tends to expect that all people from that culture will be like those have known. In either case the SIC can be used to pinpoint these biases, and to deal with them.

I use the SIC in the following manner: First, I divide my class into three or four groups. Then give each group one of the following questions. Each person in the group is asked to think about their question, and then to write a short answer about how they might answer the question if they worked for a local firm.

(1) Refrigeration is necessary to keep certain food from spoiling. Describe the market for a home refrigerator in your country (e.g., who would buy it, under what conditions would they buy, what market segments would you envision, etc.?). Describe what the refrigerator would/should look like and how it would work in order to meet local needs.

(2) Assume that the situation we are discussing is a meeting held to discuss a new method for recording the number of items produced at twenty different stages of a production process. Attending the meeting are eight subordinates and their superior - all of which are experienced record keepers. If one of the subordinates suddenly remembers that he/she heard of this new record-keeping method, and that it had been tried unsuccessfully at another plant, would the typical employee in your country tell their superior about this fact in this meeting (before the other employees)? If so, how would this be done? If not, would he/she tell the superior under any circumstances?

After allowing about five minutes for this task I ask them to hand in their answers. I then ask them to again answer the question, except this time around they are to assume that they work for a firm located Columbia. Each person is allowed about five minutes to answer this question individually. I then collect their answers.

I clip the two answers from each student together and redistribute them to another member of their group. - Mary has John’s answer, Arthur has Mary’s answer, etc. Each student is asked to examine the answers they have been given. After explaining the SRC technique I asked them to perform Step #3 and isolate the SIC. This is followed by a ten-minute group discussion of who they have found and the generation of a composite answer from the group to the problem.

The final step is crucial. The purpose of this step is to encourage the class to examine their own SRC’s, and to resolve them by discovering just how correct were their initial perceptions of the Columbian cultures. I have successfully used one of both of the following techniques to accomplish this.

First, at the University of San Francisco approximately 35% of our undergraduate business majors and 50% of our graduate major are foreign students. I selected one of my former students - from Columbia - to assist me in the classroom. Each of the groups now explain their composition answer to their question. As an ‘expert’ from the Columbian culture, my student assistant discusses both their answer and their underlying assumptions about his culture. This produces some startling conclusions. For example, one of the groups recently proposed that the typical Columbian had little need for refrigerators because they had no electricity.

My student assistant pointed out that no only was this incorrect, but that their assumption of this fact was based upon their introduction to the rural Columbian culture via American television programs.

A second method for STC identification and discussion, which works especially well when the student body has few foreign experts to use in the manner described above, is to require each student to go to the library to research the Columbian culture. With the demographic, behavioral, and business literature search they soon discover:

(1) their answers are heavily value-laden; and

(2) they tend to suggest unique solutions to each of the problems presented.

With either discussion method the SRC stimulates an insightful discussion of foreign cultures, one’s biases about foreigners, and one’s prudence to hedge by (almost) automatically requiring that the problem solution by totally localized to reflect the unknown cultural values and customs.

CONCLUSIONS

Each of us has his/her own perceptions of foreign environments. They are different, and as such each culture must be approached separately and individually. Each person expects that certain values prevail, which are the result of one individual experience with those people, products, or events of that culture.

The Self-Reference Criterion (SIC) is a technique for isolating our unknown perceptions - preconceived judgments - about foreign cultures, and to diminish their affect upon our decisions.

The SRC can be used to simulate culture in the classroom. As a discussion tool the SRC helps the student to examine his/her own perceptions of a foreign cultures, and to gain experience in assessing this cultural impact on one’s decisions.

REFERENCES