AN ABSTRACT OF THE THESIS OF

Kylyn Kizer for the degree of Honors Baccalaureate of Science in Psychology presented on June 4, 2012.

Title: Cross-Cultural Comparison of Business Practices Between Oregon and Taiwan

Abstract approved:________________________________________________________

Jonathan King

Abstract Body:

A cross-cultural analysis of business practices based on video recordings of interviews with business professionals in both Oregon and Taiwan, with the intent of finding evidence to support or question current beliefs about cultural differences between American and Asian cultures. Particular focus is paid to business practices such as networking, hiring practices, and innovation. Video recordings from a joint UHC/COB international business research project from the Spring/Summer of 2010 are analyzed to show how cultural differences relate to differences in actual business practices. A sample job application form from Taiwan is analyzed as a way to identify differences in hiring practices, particularly focusing on the job application from Taiwan asking for a list of family members and their occupations. This relates directly to the Chinese concept of guanxi—a particular form of personal networking and social capital common in China and Taiwan. Further research that successfully integrates social sciences with business practices is needed.

Key Words: cross-cultural comparison, Taiwan, international business, networking

Corresponding e-mail address: kylynkizer@gmail.com
Cross-Cultural Comparison of Business Practices

Between Oregon and Taiwan

by

Kylyn Kizer

A PROJECT

submitted to

Oregon State University
University Honors College

in partial fulfillment of

the requirements for the

degree of

Honors Baccalaureate of Science in Psychology (Honors Associate)

Presented June 4, 2012

Commencement June 2012
Honors Baccalaureate of Science in Psychology project of Kylyn Kizer presented on June 4, 2012.

APPROVED:

________________________________________
Jonathan King, Mentor, representing Business Administration

________________________________________
Ping-Hung Hsieh, Committee Member, representing Business Administration

________________________________________
Hua Wang, Committee Member, representing Public Policy

________________________________________
Dean, University Honors College

I understand that my project will become part of the permanent collection of Oregon State University, University Honors College. My signature below authorizes release of my project to any reader upon request.

________________________________________
Kylyn Kizer, Author
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>PREFACE</td>
<td>i</td>
</tr>
<tr>
<td>CROSS-CULTURAL COMPARISON OF BUSINESS PRACTICES BETWEEN OREGON AND TAIWAN</td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Taiwan: Common Advice to Tolerate and Adapt</td>
<td>3</td>
</tr>
<tr>
<td>Background of Videos</td>
<td>17</td>
</tr>
<tr>
<td>Analysis of Video Question 1</td>
<td>19</td>
</tr>
<tr>
<td>Analysis of Video Question 2</td>
<td>25</td>
</tr>
<tr>
<td>Analysis of Video Question 3</td>
<td>28</td>
</tr>
<tr>
<td>Analysis of Video Question 4</td>
<td>31</td>
</tr>
<tr>
<td>Analysis of Video Question 5</td>
<td>35</td>
</tr>
<tr>
<td>Analysis of Sample Job Application Form from Taiwan</td>
<td>38</td>
</tr>
<tr>
<td>Learning</td>
<td>43</td>
</tr>
<tr>
<td>BIBLIOGRAPHY</td>
<td>47</td>
</tr>
<tr>
<td>APPENDICES</td>
<td>49</td>
</tr>
<tr>
<td>Appendix A Transcript of Video Question 1</td>
<td>49</td>
</tr>
<tr>
<td>Appendix B Transcript of Video Question 2</td>
<td>57</td>
</tr>
<tr>
<td>Appendix C Transcript of Video Question 3</td>
<td>65</td>
</tr>
<tr>
<td>Appendix D Transcript of Video Question 4</td>
<td>73</td>
</tr>
<tr>
<td>Appendix E Transcript of Video Question 5</td>
<td>84</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Comparison of the United States and Taiwan on Hofstede’s five cultural dimensions</td>
<td>7</td>
</tr>
<tr>
<td>2.</td>
<td>Page One of Sample Job Application Form from Taiwan</td>
<td>40</td>
</tr>
<tr>
<td>3.</td>
<td>Page Two of Sample Job Application Form from Taiwan</td>
<td>41</td>
</tr>
</tbody>
</table>
PREFACE

The following is a cross-cultural analysis of business practices based on video recordings of interviews with business professionals in both Oregon and Taiwan, with the intent of finding evidence to support or question current beliefs about cultural differences between American and Asian cultures. Particular focus is paid to business practices such as networking, hiring practices, and innovation.

Perceived cultural differences between Oregon and Taiwan may be different from actual practices. By examining business practices in both locations from multiple theoretical frameworks, such as Geert Hofstede’s five cultural dimensions and Richard Gesteland’s four dimensions of business cultures, causes of cultural conflict can be seen. The most common advice for doing business in Taiwan is presented in relation to these two theoretical frameworks as background in the subsequent section.

Video recordings from a joint UHC/COB international business research project from the Spring/Summer of 2010 will be analyzed. The answers to five core questions asked of all interviewees will be examined to identify potential evidence of cultural differences or potential evidence of similarities in business practices. A sample job application form from Taiwan will be analyzed as a way to identify differences in hiring practices, particularly focusing on the job application from Taiwan asking for a list of family members and their occupations. This relates directly to the Chinese concept of guānxì—a particular form of personal networking and social capital common in China and Taiwan. A specific example of guānxì will be described and explained. Then, guānxì will be compared to typical networking practices in American culture, and the advantages
and disadvantages of both will be discussed. The best practices from each culture will be highlighted to show that learning how to do business in another country like Taiwan can lead to learning how to do business better in the United States.

The analyzed answers from the video recordings may show that assumed cultural differences do affect business practices, or they may show that actual business practices are not drastically affected by cultural differences. The sample job application form from Taiwan shows that there are significant differences in hiring practices, particularly for the job applicant. The example of guānxì will show how a cultural difference can affect business practices, but may actually be similar to networking practices today—though both have advantages and disadvantages. This thesis is exploratory in nature and will not offer definitive results or conclusions.

Although the cultures of Taiwan and China are very similar, they are not always perfectly aligned on every characteristic. Due to a shortage of research specifically on Taiwan and not China, information on culture and business practices in China is used in several places and assumed to apply to Taiwan as well. This should not always be assumed and further research specifically on Taiwan would be beneficial.

Oregon and Taiwan are prominent trade partners and will likely increase international business transactions in the coming years. According to the United States Census Bureau, of all the locations Oregon exports to Taiwan is ranked sixth (while China is ranked first) (“Total US exports,” 2012).
The importance of culture does not just apply to international cultures, but corporate cultures as well. In *Built to Last*, Collins and Porras assert that the most “enlightened business leaders around the globe intuitively understand the importance of timeless core values and a purpose beyond just making money” (Collins & Porras, 1994, p. xxi). For multinational corporations, the most “visionary company exports its core values and purposes to all of its operations in every country but tailors its practices and strategies to local cultural norms and market conditions” (Collins & Porras, 1994, p. xxii).

In the book *Leading with Cultural Intelligence: The New Secret to Success* David Livermore describes the relatively new concept of CQ. “Cultural intelligence, or CQ, is the ‘capability to function effectively across national, ethnic, and organizational cultures’” (Livermore, 2010, p. 4) When doing business in another culture there are three levels of CQ. The first is to tolerate the other culture. This involves trying to understand a little of the cultural differences and avoiding offending anyone. The second level is to adapt, which involves a higher level of CQ and understanding how to change your own behaviors to fit the new culture as much as possible. The third level, which common
advice on doing business in another culture seems to ignore, is to learn. Attaining enough CQ to adapt to the business practices and culture of another county does not just teach an individual how to do business in that country or how to be a better international traveler, but can also teach the individual how to apply the best business practices of that foreign company to the United States—if they are looking to learn these lessons. Some of the best business practices in a foreign company may be better than the current business practices used in the United States.

The following chart shows some of the ways that the business practices and cultures of Taiwan and the United States interact.

<table>
<thead>
<tr>
<th>Taiwan Culture</th>
<th>Taiwan Business Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Practices Influence Culture</td>
<td>Culture Influences Business Practices</td>
</tr>
<tr>
<td>Influence of western world on Taiwan/Asia</td>
<td>Lessons for US from Taiwan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>American Culture</th>
<th>American Business Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Practices Influence Culture</td>
<td>Culture Influences Business Practices</td>
</tr>
</tbody>
</table>
Taiwan: Common Advice to Tolerate and Adapt

Understanding the business culture of Taiwan is the starting place for cross-cultural business dealings and the first level of CQ.

The Global Competitiveness Index (GCI) for 2009-2010 shows Taiwan as ranking 12th out of 133 countries in the world, between Hong Kong and the United Kingdom. Taiwan “has entered the third and most advanced stage of development” and shows improvement in institutions, infrastructure, and education over previous years (World Economic Forum, p. 30). The three components of the GCI show Taiwan as 6th in the world on the innovation pillar. Innovation is by far the strength of Taiwan, which the economy is heavily based in, as well as the hope for the future. Ann Marie Sabath (1999) offers “8 reasons people do business in Taiwan”:

1. Taiwan is a world leader in the manufacture of electronics.
2. Taiwan’s other manufacturing strengths are in textiles and clothing.
3. Taiwan has an abundance of marble, coal, and limestone.
4. This country’s chief crops are vegetables, rice, and fruit.
5. Taiwan is an economic powerhouse in the region.
6. It is on the top 10 list for both importing and exporting.
7. Taiwan’s language for doing business is English.
8. Taiwanese businesspeople have an entrepreneurial spirit and very strong work ethic. (p. 167)

Taiwan has experienced significant industrial development over the last 25 years. Taiwan has shown increased development particularly in innovative technology. Taiwan-
held utility patents granted by the United States are “mostly focused on inventions rather than industrial designs” (Chen et al, 2005, p.51). Utility patents have dramatically increased from below 500 per year before 1994 to over 2,500 per year after 2000. The key industry in Taiwan is “electrical and electronic machinery, equipment and supplies with its technology focus on semiconductor device manufacturing” (Chen et al, 2005, p. 39). Businesses in Taiwan are highly innovative and interested in increased research and development of high technology in electrical, electronic, optical, and information sectors. The government of Taiwan has encouraged this development, but potentially at the risk of losing manufacturing and other low technology industries. To continue to be successful, the economy of Taiwan will need to diversify for a stronger foundation.

Innovation cannot be the only answer.

Indeed, despite its successful place in the GRI, the World Economic Forum does point out the disappointments of Taiwan. Policy instability and bureaucratic inefficiency were viewed as the two most problematic factors for doing business in Taiwan. As the government faces a deficit, the financial market is also inefficient with inflation, interest rate spreads, and public debt increasing since 2008 (World Economic Forum, 2009, p.30).

Inefficient financial markets are common in the present economy, so Taiwan will most likely not suffer from its minor issues. Innovation, that magical word, is what Taiwan is counting on to increase business and boost the economy. Likely this will entail foreign investors, business partners, and subsidiaries traversing the Pacific to the island of innovation.
Those making the journey may not be aware of the culture of the land they travel to, and they should be advised before going. Here, a helpful human resource company specializing in international business culture could offer consulting sessions to train soon-to-be ex-patriates. Globalization has made businesses more likely to seek partnerships in other countries and send employees abroad. Before employees are sent abroad, companies attempt to provide them with at least some cultural training, but the strength and effectiveness of this training varies. Taiwan, as an Asian-Pacific country, is significantly different in many key areas from the United States. These differences can easily negatively impact business deals if not properly managed.

Errors in cross-cultural communication are the most common reasons for failed business deals. Companies cannot afford failed business deals and so should invest more in proper cultural training for those they plan to send overseas. With the dramatic increase of international business and the continued growth in this area for the foreseeable future, cultural differences can no longer be ignored by Western businesses. The United States in particular tends to take a ‘superior’ cultural and ethical stance when conducting business in another culture. The expectation in most multi-national corporations is for the other country to change and follow the model of the corporate headquarters, which are usually steeped in Western societal norms. Most business students are taught that, when business ethics are questioned, the solution is always to follow the higher ethical standard. Usually, this is the societal and ethical standard of Western society—as judged by those in Western society.

The United States often prides itself on its history of innovation. But this global leadership in innovation is on its way to become just that—history. The goods and
services the United States gets from Asia will become increasingly competitive with our own because the innovation of countries like Taiwan will allow them to surpass the innovation of the United States.

Several scholars in the area of cross-cultural comparisons offer ways of defining differences along dimensions. The way people think, talk, act, and relate is summarized by simplified categories. However, this simplification can be problematic. Among academia, cultural anthropology is a newer addition that has only recently been viewed as a social science instead of an art.

Thus, a cross-disciplinary approach of applying social science to business research is not common and something most university professors are reluctant to take on. When proposing this thesis, it was difficult to find a professor in business willing to take on a thesis project that (to them) was too far out of their realm of expertise. Similarly, social science professors did not feel that they had the authority to put their name on a thesis about business practices.

Geert Hofstede is famous for his research of five cultural dimensions—power distance, individualism, masculinity, uncertainty avoidance, long-term orientation. Taiwan is rated, from high to low, favoring long-term orientation, uncertainty avoidance, power distance, masculinity, and individualism. (Hofstede, 2009). Figure 1 shows a bar graph comparing the United States and Taiwan on Hofstede’s five cultural dimensions.
Figure 1. Comparison of the United States and Taiwan on Hofstede’s five cultural dimensions.

http://www.geert-hofstede.com/hofstede_dimensions.php?culture1=95&culture2=89#compare
Richard R. Gesteland offers different dimensions in his book on cross-cultural business behavior which can be applied more specifically to international business relationships. Gesteland organizes the business cultures of the world along four patterns which he terms deal-focus vs. relationship-focus cultures, informal vs. formal cultures, rigid-time vs. fluid-time cultures, and emotionally expressive vs. emotionally reserved cultures. Anyone expecting to conduct business internationally should know where their culture fits within these patterns but more importantly where the country they are visiting fits. According to Gesteland’s “two iron rules of international business”, 1) in international business, the seller adapts to the buyer and 2) in international business, the visitor is expected to learn local customs (Gesteland, 2002, p. 15).

Hofstede and Gesteland are talking about mostly the same things, but in different terms and with Gesteland placing a greater emphasis on business cultural norms than social cultural norms. Gesteland also has no match for Hofstede’s cultural component of long term orientation.

<table>
<thead>
<tr>
<th>Hofstede</th>
<th>Gesteland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism</td>
<td>deal-focus vs. relationship-focus</td>
</tr>
<tr>
<td>Power Distance</td>
<td>informal vs. formal</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>rigid-time vs. fluid-time</td>
</tr>
<tr>
<td>Masculinity</td>
<td>emotionally expressive vs. emotionally reserved</td>
</tr>
<tr>
<td>Long Term Orientation</td>
<td>no match</td>
</tr>
</tbody>
</table>
Although Gesteland does not categorize Taiwan, it can be assumed that Taiwan would belong to the same category as Japan, China, Korea, and Singapore—relationship-focused, formal, monochronic (rigid-time), and (emotionally) reserved cultures. Deal-focused cultures are task-oriented, with the relationship less important than business deals. Relationship-focused cultures are people-oriented and view the relationship and rapport as needing to come before business and the deal. As “the vast majority of the world’s markets are relationship-oriented”, people from deal-focused areas of the world like North America, Australia, Northern Europe and New Zealand will need to understand this “great divide between business cultures” (Gesteland, 2002, p. 19).

Deal-focused cultures rely on direct contact to begin business relationships with strangers, but relationship-focused cultures do not like this approach. Relationship-focused cultures avoid doing business with strangers and rely on networks of personal contacts to make new connections through indirect contact. Trying to approach someone from a relationship-focused culture directly will not be well received, especially as a foreigner.

In the United States, cold-call telemarketing can be successful because customers are willing to make a business deal with strangers directly contacting them. In Japan, telemarketing is only used to call existing customers because they are not receptive to direct contact. Possible ways to make initial indirect contact in a relationship-focused culture include international trade shows, official trade mission, and third party introductions through a high status person or organization known by both parties like a commercial section of an embassy or chambers of commerce.
Taiwan fits in the indirect approach category as a relationship-focused culture. Making indirect contact is important to business deals. A deal-focused seller sent letters and brochures to Australia and Taiwan, requesting to meet with potential distributors. He received several responses from Australia but none from Taiwan. Thinking the English-written letters were the issue, he sent a version in Chinese to Taiwan. Still, no response. This example shows the importance of understanding the culture your business is trying to enter and having indirect contacts in Taiwan.

The relationship-focused nature of Taiwan is also reflected in the idea of guānxì. Guānxì is commonly thought of as essential to business in places like China. Huang et al. suggest that “foreign managers working in Chinese organizations must not fail to develop and use guānxì” as it promotes the company and the employees participating in the social and cultural community (Huang et al., 2009, p. 245). However, guānxì must be monitored, especially for companies from the United States who must follow the Foreign Corrupt Practices Act of 1997, “which explicitly forbids U.S. companies from using bribes to win contracts” (Huang et al., 2009, p. 245). Guānxì commonly involves exchanging gifts and favors, which “clearly leads to the potential violations of the FCPA” (Huang et al., 2009, p. 245).

Individuals entering Taiwan to do business should keep in mind that the relationship comes first. Before a deal can be made, trust and rapport must be built. In Taiwan, it may “take time, patience, and sometimes a cast-iron liver to develop a strong relationship” (Gesteland, 2002, p. 27).
Once the strong relationship is made, face-to-face communication will still be important and expected when working on a major deal or issue. While technology like video conferencing reduces this need, relationship-focused cultures will still expect a personal visit. This is one example of communication differences between relationship-focused and deal-focused business cultures. Taiwan is also likely to value indirect, subtle language with a priority on maintaining harmony and promoting smooth interpersonal relationships. They may hide negative emotions to save harmony or face, although this is not meant to mislead and confuse those from deal-focused cultures who prefer direct and straightforward language. Context is also important to relationship-focused cultures, although Taiwan is less context-oriented than China. Still, a skilled interpreter is a valuable asset for dealing in Taiwan, as the interpreter can ease verbal communication problems by using the polite language expected.

Informal cultures are egalitarian while formal cultures are status-conscious and hierarchical. International business protocol suggests that when dealing with an unfamiliar culture, “it is important to show proper respect and deference” and to “err on the side of formality at first” (Gesteland, 2002, p. 51). In Taiwan, this may mean keeping a formal jacket on even though the island weather is warm—although once “your Chinese counterpart does so first” it may be acceptable to remove your jacket. Formally addressing individuals is also important. Chinese names “have three names of one syllable each, of which the first is the family name” and the one they should be addressed by following their title (Gesteland, 2002, p. 88). However, to accommodate foreigners, business cards may be printed with the names in the Western order of family name last. This is especially common in Taiwan, but they are also likely to hyphenate their two non-
family names (generational and given). Americans are at a disadvantage because our egalitarian culture means we may not know or understand how to show proper respect and formality in Taiwan. Further, hierarchical cultures put women, young people, those dealing in international sales and marketing or those lower in the corporate structure at a disadvantage.

In Taiwan, it is important to observe “hierarchy, respect the elderly, modesty” and reciprocate gestures of goodwill (Morrison and Conway, 2006, p. 166). In Taiwan, “modesty is very important” and you should not enter an office until invited and refute compliments (Morrison and Conway, 2006, p. 164). Although the women’s movement is growing, “Taiwan is still a male-dominated society with clearly differentiated sex roles” which should be considered when choosing attire (Morrison and Conway, 2006, p. 163). When attending meetings, the individual of the highest rank in your group should sit in the middle, with the second highest on the right and third on the left.

Rigid-time cultures carefully watch the clock and follow deadlines, while fluid-time cultures are more relaxed and focused on people around them instead of the clock. North America is characterized as a very monochronic (rigid-time) business culture, while Taiwan is also monochronic, but less so. This will be the easiest area for Americans to adjust to Taiwan during business deals. As the difference is slight, there is less of a chance of culture shock. If anything, continuing to be very monochronic in Taiwan may be a good thing where “foreigners are expected to be punctual to meetings” but locals may be late (Morrison and Conway, 2006, p. 163). Despite working long hours and likely six days a week, hospitality and late-night entertaining are important aspects of
relationship building in Taiwan. Business deals often include late nights out, so Americans should be prepared for that and schedule morning meetings accordingly.

Emotionally expressive and emotionally reserved cultures have different verbal, paraverbal, and/or nonverbal communication styles which can confuse and ruin cross-culture relationships. The United States is a variably expressive culture while Taiwan is reserved. These differences can show up in “four key elements of nonverbal negotiating behavior”: proxemics (spatial behavior, interpersonal distance), haptics (touch behavior), oculesics (gaze behavior, eye contact), and kinesics (body movement, gestures).

Proxemics between Taiwan and the United States do not vary greatly, as both generally prefer to keep a moderately large distance between individuals. However, those in Taiwan are generally smaller than Western individuals—in both stature and expressions. Large, loud Americans should “avoid being loud and boisterous” in Taiwan as it may be interpreted as “a loss of self-control” (Morrison and Conway, 2006, p. 170).

Haptics can be an issue, as the United States is slightly more open to physical contact than Taiwan and handshakes are firmer in the United States. In Taiwan, “a nod of the head may be sufficient” for first time greetings (Morrison and Conway, 2006, p. 168).

Oculesics in the Pacific Rim may result in direct eye contact “interpreted as a hostile act”, and they may think you are trying to intimidate them, provoke a fight, or proposing sexual relations (Gesteland, 2002, p. 77).

The areas of kinesics important to business negotiations involve facial expressions and hand and arm gestures. Small gestures can make a huge difference. Raised eyebrows in North America can mean interest or surprise, but in China raised eyebrows convey
disagreement—showing “the same expression can have a different meaning, sometimes even the opposite meaning” (Gesteland, 2002, p. 79). Pointing or beckoning with an index finger, winking, or men crossing their legs in Taiwan may be rude. In general, gestures are highly susceptible to misinterpretation and so learning as much as possible about the culture before visiting is highly advised. Still, no one can be expected to never make a cultural mistake.

Taiwan is viewed as a tolerant and welcoming country, and foreigners are common in the international business-centered Taipei. This does not mean that an American traveling to Taiwan can expect to fit right in and not have to learn the cultural customs. Especially when trying to navigate the extreme differences between East and West, it is important to understand the culture you are going to visit. As difficult as it may seem for an American to understand the culture of Taiwan, it can be done and making an effort is well worth it in the end. In her book on Asian Business Customs and Manners (2007), Mary Murray Bosrock relates from personal experience “the ten commandments of visiting Asia” as a guideline of how to successfully visit Asia:

1. Do your homework. A basic knowledge of each country’s culture and history will greatly benefit you.
2. Take your time and be patient. Asians develop relationships slowly.
3. Always be sincere. Building a relationship requires trust, and trust requires sincerity.
4. Never embarrass anyone publicly or make anyone lose face. Doing so will end a relationship.
5. Use a softer speaking voice than you’d normally use. Never raise your voice to try to overcome language difficulties.

6. Show respect for other cultures, even if they seem strange to you. Asian cultures were highly developed when European cultures were still in their infancy.

7. Ask, look, and listen! Asians are proud of their cultures and enjoy teaching others about their ways. They’ll appreciate a respectful interest.

8. Learn what behavior your Asian colleagues expect, and be aware of the image you’re projecting at all times.

9. Make friends. When Asians like you, they’ll forgive just about anything you may do wrong.

10. Assume the best about people and their actions. When problems arise, assume miscommunication is the cause. Most behavior is rational once we understand its rationale. (p. 7)

Hofstede and Gesteland’s theoretical frameworks can be found in Bosrock’s ten commandments.

<table>
<thead>
<tr>
<th>Hofstede</th>
<th>Bosrock</th>
<th>Gesteland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism</td>
<td>2, 9</td>
<td>deal-focus vs. relationship-focus</td>
</tr>
<tr>
<td>Power Distance</td>
<td>4, 5</td>
<td>informal vs. formal</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>8</td>
<td>rigid-time vs. fluid-time</td>
</tr>
<tr>
<td>Masculinity</td>
<td>3</td>
<td>emotionally expressive vs. emotionally reserved</td>
</tr>
</tbody>
</table>
The best advice offered by all the examined resources about conducting business in another culture is to be polite and respectful, be formal just in case, listen carefully, be sincere, and ask when in doubt.
Background of Videos

To maintain confidentiality of those who were interviewed, no names of the people or of the companies they work for will be given. Instead, their title and a general description of their company will be given. In the analysis to follow, the interviews will be referred to by the corresponding numbers in the following lists.

In the spring of 2010, five interviews were conducted in Oregon:

Oregon 1. Retired, former vice president at an American multinational information technology corporation

Oregon 2. Director of Talent and Workforce Development at United States-based industrial goods and metal fabrication company

Oregon 3. Human Resources Director at United States-based digital display manufacturing corporation

Oregon 4. Chief Financial Officer at United States-based digital display manufacturing corporation

Oregon 5. Northwest Division Manager at a winery in Washington

The four companies are representative of large businesses in Oregon with various levels of international business interactions and from various industries.

In the summer of 2010, six interviews were conducted in Taiwan:

Taiwan 1. Senior Partner, Director of Human Resources Department, and Senior Manager of Human Resources Department at a multinational financial services corporation branch in Taiwan
Taiwan 2. Marketing director at a global financial services company branch in Taiwan

Taiwan 3. Marketing Manager and at a global nutrition, weight management and skin-care company

Taiwan 4. Manager and Sales Representative at a metal and wood merchandising fixture and store equipment manufacturer in Taiwan

Taiwan 5. Manager at a Taiwan industrial steel manufacturing company

Taiwan 6. Engineering Vice President at a wireless communications design and manufacturing company in Taiwan

Taiwan 1, Taiwan 2, and Taiwan 3 are international companies with locations in Taiwan. This means that the international corporate culture of the parent company may affect the business culture of the company in Taiwan. Taiwan 4, Taiwan 5, and Taiwan 6 are companies owned in Taiwan, with the former two being smaller, family-owned operations. This variety is representative of businesses in Taiwan.

These questions were intentionally open-ended, allowing the interviewee to reflect on whatever topic they felt most comfortable discussing. These are business professionals who are speaking from inside experience. They have not thoroughly researched these topics or prepared perfect answers before the interviews occurred. Therefore, their responses offer potential insights into the perspective of the average business professional. The highlighted quotes should be read and connected to the larger points of this thesis.
Analysis of Video Question 1

“What is the most valued quality in a potential employee? What skills are most valuable in high level employees?”

The first question asked about the most valued quality in a potential employee. Whether in Oregon or in Taiwan the majority of those interviewed believed that having core competencies and the required background knowledge are assumed necessities in a potential employee.

Oregon 1

“You need to be competent”

Oregon 2

“For me, it’s the ability to think”

Taiwan 1

“We have some competencies for our employees”

Taiwan 6

“New employee...we should be matched to their education background”

Business ethics and integrity were also mentioned in both countries.

Oregon 1

“One is being totally committed to the cause...The business better be able to state what the goal is...and for people to put that cause extremely high...maybe not...as high as family, but...certainly they need to put it above career “
Oregon 5

“The most valued quality in a potential employee is strong ethical make-up”

Taiwan 3

“The most valued part would be the integrity”

Taiwan 4

“In my opinion, I think responsibility would be the most important one”

There is a certain responsibility and commitment to the company and to the goals of the company that seem to be a universally admired quality. As Oregon 1 put this, it’s being totally committed to the cause of the company.

Oregon 1

“One is being totally committed to the cause...The business better be able to state what the goal is...and for people to put that cause extremely high...maybe not...as high as family, but...certainly they need to put it above career“

Taiwan 3

“People who have...commitment to the organization”

The answers in Taiwan were phrased differently, but the point can be interpreted to reflect the same underlying theme. In Taiwan, emotion words like “passion” and “spirit” were used to express this desire for an employee who cares about their work and their company.
“I also look at people who are embracive or passionate. I think it’s very important—the most important for career development”

“I would like to add that I believe teamwork, skill, and spirit would also count as part of the very important qualities”

“You need to know you like this company. If you don’t have your motivation then you don’t need to go to these companies”

“We need the new employee to have the passion for this industry”

Words like passion and spirit were not used by business professionals in Oregon. This is reflection of a professional normality to separate emotion from business in the culture of the United States. However, in Taiwan the business culture is more relationship-focused so this could cause their diction to reflect their emphasis on relationships by using words with a more emotional connotation. As none of those interviewed in Taiwan are native English speakers, it is interesting to note that whatever thought they were independently having multiple interviewees used the word “passion” to describe this quality they seek in new employees.
Taiwan 1 is one of the three multinational corporations we interviewed, and also the one company in Taiwan that did not mention seeking passion or motivation or a similar emotional quality in their potential employees. Instead, their answer was more like the answers by those in Oregon. As the business culture of Taiwan 1 is likely highly influenced by the business culture of its European roots, this could explain the difference in answers.

Perhaps it is a flaw in the United States that we do not seek passion in new employees as much as we seek their ability to contribute to reaching the (financial) goals of the company. In “First, Break All the Rules” Marcus Buckingham and Curt Coffman argue that the conventional wisdom about how best to manage employees is wrong. The most successful managers focus on a hiring the “right talents” which “more than experience, more than brainpower, and more than willpower alone are the prerequisites for excellence in all roles” (p.72). These ‘right talents’ might be what those in Taiwan were referring to as ‘passion’.

Taiwan 1

“We focus more on their accountabilities…maybe a business focus will be more important”

Oregon 3

“Someone who has a demonstrated ability to learn and…deliver results for your business”

Oregon 5
“The work ethic...is not measuring what you’ve done by how many hours it’s taken you to do it, it’s based on your results. And a grasp on what is success. It’s not just time, it’s always the results”

In Taiwan, this sentiment was likely expressed once more using more emotional words like ‘aggressive’ and ‘courage’.

Taiwan 3

“I would say people who have the capability of personal effectiveness, which is self-control, self-confidence, and people who have flexibility and commitment to the organization”

Taiwan 5

“I think you just need to work hard and be very aggressive. You need to work hard and know all the professional details of this kind of business. And after that, be aggressive to talk to your customers”

Taiwan 6

“For the manager, I think the most important [quality] is the willing to face challenges. The second is courage. Because we don’t know tomorrow what will happen, but usually we have the confidence to face tomorrow’s challenge”

Teamwork was also emphasized in both countries. The ability to successfully work with others across disciplines is necessary to many businesses when their goal is to design, produce, market, and/or sell their products.
Oregon 1

“I will take a team of people holdout to a cause where each individual has a little less competency way before I would take a team of all-stars that are each the world’s expert in a different field but you can’t work with them. In fact, I wouldn’t even hire the latter two. Even though they are individually so gifted”

Oregon 4

“What I’m looking for are people that can work in teams, that have a lot of experience working in the community, working with others”

Taiwan 1

“We need to not only work independently but also can team work”

Taiwan 4

“I would like to add that I believe teamwork, skill, and spirit would also count as part of the very important qualities we look for in a good employee”

Taiwan 6

“We are focused on the cooperation. Can he cooperate with other teams? This is the first part because I think you can see that one product cannot be built by one man or by one team”
Analysis of Video Question 2

“How do you build and sustain a business environment that promotes innovation and entrepreneurship?”

Building and sustaining a business environment that promotes innovation and entrepreneurship is what keeps a company growing and thriving. Taiwan is seen as one of the most innovative countries for high-technology industries in the world. What makes companies in Taiwan so effective at innovation? According to the answers given during these interviews, they believe strongly in setting goals for their employees and a reward-based system that encourages their employees to be innovative.

Taiwan 1

“We have very well-established systems and policies to train or to encourage people to our targets”

Taiwan 4

1: “I would suggest just to set a target and then use all available resources and try to achieve it and always keep creative thinking. Passion is important as well”

2: “Incentive goes along with passion”

Taiwan 6

“My feeling is if you want to encourage engineers or somebody to have innovative thinking, the incentive is very important”
Rewarding innovation was also mentioned by those interviewed in Oregon, but there was also an emphasis on giving employees the necessary tools and power to be innovative.

*Oregon 2*

“Empowerment. You’ve got to empower employees to make decisions about what they’re doing and how they do it”

*Oregon 3*

“You could have a dedicated set of trainings that you provide to people to kind of help foster that. You also need to allow people time if you’re expecting them to come up with new ways of doing things or to think on a broader level”

*Oregon 1*

“You’ve got to give them the tools as well—tools to communicate, tools to compute and analyze and all the rest of that”

The answers from the interviews in Oregon also seemed to emphasize an overall awareness of the business conditions facing the company for innovation to be successful.

*Oregon 5*

“I think you have to go out and talk to the industry leaders because you have to have an understanding of what market you’re in...Always trying to determine what is that next thing out there because the consumer is shifting, the world is getting smaller”
Oregon 2

“The more informed you keep your workforce on what you’re doing and what your business condition are and understand you’re running a business and, therefore, there will be decisions made...that aren’t always going to be the most favorable...but they’re necessary to running a business”

Oregon 4

“Innovation is not just, necessarily, coming up with new products. Its innovating processes, its making things more efficient”
Analysis of Video Question 3

“What advice would you give to foreign companies wanting to create business relationships in the United States or in Taiwan?”

Those interviewed in Oregon were asked to advise people in Taiwan or another foreign country on how to create business relationships in the United States. Half of the answers focused on understanding the business environment of the United States and knowing where a foreign company could provide a benefit.

Oregon 2

“Understand our regulatory requirements”

Oregon 4

“Many times it relates to the strength that we’re lacking”

Oregon 5

“Find reliable data”

Oregon 3

“Find some good partnerships, whether that’s working with professional business associations, local governments, things like that”

Those interviewed in Taiwan expressed that it was more important to understand the culture of Taiwan than it was to understand the business environment.

Taiwan 1
“Maybe for western cultures when they do business in Taiwan maybe they will just focus on the business issues only. Maybe to discuss the business directly that for Taiwanese and Chinese, maybe they need to take time to establish long-term relationships. Some big business maybe like the big deal after a long time, maybe after drinking, or some more information and relationship. Focus on feeling more than professional relationships”

Taiwan 2

“You need to know the Taiwanese culture...and you need to know how to utilize the best part of the Taiwanese people”

Taiwan 4

“I think it’s pretty important to understand the local culture”

The emphasis of relationships and understanding the local culture was expressed in Oregon by Oregon 1.

Oregon 1

“Communication is going to be integral to what you do. Relationships... Having a good relationship with individuals is always key... And if you’re going to establish a relationship with an individual you need to know something about their culture, their background, and where they came from”

A combination of relationship building and business understanding was expressed in both countries as well.
Oregon 4

“It's really about getting to know the people, the products, the competencies, and trying to develop a mesh of the two companies together”

Taiwan 4

“It doesn’t hurt to really know the government policies—taxation, regulation, and rules”

Taiwan 5

“I think right now in Taiwan we’re trying to…tell customers what is different in Taiwan”

Taiwan 6

“We provide our sample to our customer. If we pass and qualify, we can build up a business relationship between (Taiwan 6) and (Taiwan 6) customer”
Analysis of Video Question 4

“Do you think that the current education system adequately prepares the upcoming generation for the workforce? What would you change?”

Those interviewed in Oregon seemed to believe that the United States education system is good, but that there is still room for improvement. Some inadequacies identified include lack of cross-disciplinary higher education, lack of relevancy, not enough emphasis on communication skills, and lower expectations in public school settings.

Oregon 1

“You never work on a project as a single discipline. They are all multi-disciplinary and not multi-disciplinary in terms engineers and scientists but in terms of marketing and business and you really need to not only theoretically know but insightfully know the interaction between all of those”

Oregon 2

“It doesn’t work… There’s no relevancy of what’s occurring in the classroom as to how it works in the working environment... In my view the K-12 system is really missing the mark right now because they’re not building relevancy in the classroom. I believe that’s a big contributor to the high dropout rate in high school”

Oregon 4
“When you come out [of high school] you have to really have a very broad background in a lot of disciplines to be successful... Communications, I think, is a very, very critical part whether it be communicating with somebody to work to solve the problem or communicating with investors about what that particular business is all about”

Oregon 5

“I do have concerns about public education K-12 and I would imagine that influences what happens in higher education... So then I look at private schools...very high standards, very high expectations, very small class size, but really doing work... I don’t hire people directly out of college... We hire people with background experience. And so we’re not looking as much at people’s GPA as what their performance was in that work environment and what tools they bring as a result of that”

In the United States the tendency is to compare our education to the education systems of countries like Taiwan, where memorization and repetition lead to high scores in areas like math.

Oregon 5

“But I think when you look at the education system we need to spend more time on math and I think when I look at kids... what my kids do, you know, it’s more squishy as opposed to really knowing ‘do you know your times tables that you can just bang them out?’. There’s just this quickness of thought, these are things that are probably very boring but it’s good to know”
Yet despite many United States parents sharing this sentiment that knowing the multiplication tables by heart makes for a smarter student, all but one of the business professionals interviewed in Taiwan believe that their education system is inadequate. The biggest issue with the current education system in Taiwan identified was perhaps in exact contrast to the issue identified in the United States: too much memorization and repetition can create inflexible thinkers. Some also expressed concerns that the rapid growth of college enrollment may mean that the standards are falling.

Taiwan 2

“No. The current education system in Taiwan, they designed for the how to be a very good study people, how to memorize, but they lack of innovation which is very important... and they also lack how to work under pressure... They feel easily frustrated and they may not know how to solve the problem by themselves, they need to consult me every time”

Taiwan 4

1: “I don’t think so at this stage because from my experience I think it is still not good enough”

2: “Well, the thing is everybody—almost all the students in Taiwan are able to go to college and have a university degree... I wonder if the quality is catching up with the degree of widely accepted enrollment to colleges”

Taiwan 5
“Not really, but I think at least you have to finish your college. It’s better. Because when you study in college, they are not just training you how to study but also training you how to do research and how to compile information to get and figure out how you want it. It’s a system, its training, it’s not like just go to college and have fun. No. They are teaching you to do something right. To high school, maybe not—just some basic math or language or history, that’s it”

Taiwan 6

“Basically I think that in Taiwan the university education is well-prepared for the next generation technology. But maybe the real working experience, they are shortage. The other one is that I think too many universities in Taiwan now. So we, the government, should have very fair system—how to judge this university is good and how to judge this university is not good. We should have the some ranking there to explore for high school student reference”
Analysis of Video Question 5

“What future trends do you see for businesses in the United States, in Taiwan, and in the World?”

Those interviewed in Oregon believe that future trends for business in the United States will relate to the changing consumer markets, the ability of smaller companies to innovate and adapt quickly to changing consumer demands, and the increase in international business.

Oregon 1

“I’m hopeful that the current trends are not the future trends. I see companies going away from commitments and contributions to both customers and employees and more towards this quarter’s financial results. So I hope that turns around and I believe it will. And the reason I believe it will is I don’t believe that’s sustainable, long-term sustainable as a practice. I think other companies that are going to run some of the current big companies, run circles around them. One of things I would love to do is see some small companies who are successful”

Oregon 3

“I think you’ll see continued advancement of technology… more knowledge capture technology… I don’t think we’ll use traditional office spaces…I think you’ll probably see more consumer driven mentalities as it relates to healthcare and benefits for employees”

Oregon 4
“You have to be innovative, you have to be thought-provoking, you have to kind of think out of the box and think about the results. All of those things, right—but you also have to have the international perspective”

*Oregon 5*

“Consolidation. Technology. Medium-sized businesses being the most impacted by that consolidation... How companies talk to their consumers and communicate with their consumers. The social media part... it’s much harder to keep a handle on. And the lack of brand loyalty... But then there’s also, because of the consolidation, it’s really going to open up a ton of small business and that’ll be really exciting to see. All of the new ideas of those small businesses. Large companies aren’t nimble... I mean there’s just this kind of what’s old is new but it’s new in a different way”

Those interviewed in Taiwan were very optimistic about the future. Their responses expressed a belief that Taiwan will continue to be highly innovative and become known for high quality products as well as have more service industries.

*Taiwan 2*

“In the past Taiwan is a very cost effective. But I think in the future they need to be more value-added. In all respects. We need to have more staff who can do innovative things”

*Taiwan 3*
“The wellness industry will be the potential industry by 2010 a trillion dollar for that. Yes. You know the aging baby boomer or the people who desire of looking young and fight the aging process... Industries related will do well, will be benefit from that”

Taiwan 4

“Service. Service industry”

Taiwan 5

“To still bring business we need to find some value-added products... like Japan or Germany, to provide some high quality, good quality products”

Perhaps the most succinct and honest answer from all the interviews was the response to this question about the future by Taiwan 1.

Taiwan 1

“The same as in other countries. The future is in China”
Analysis of Sample Job Application Form from Taiwan

Looking at a simple job application from Taiwan can show how the different cultural values manifest in business practices. The job application form is written in both Chinese and English. There are several notable fields which would not be allowed on a job application form in the United States for legal reasons and/or because of the culture.
Figure 2. Page One of Sample Job Application Form from Taiwan

<table>
<thead>
<tr>
<th>個人履歷資料 PERSONAL INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>應徵日期 DATE</td>
</tr>
<tr>
<td>應徵項目 EXPECTED POSITION</td>
</tr>
<tr>
<td>基本資料 BASIC INFORMATION</td>
</tr>
<tr>
<td>出生日期 BIRTH DATE</td>
</tr>
<tr>
<td>民國 年 月 日</td>
</tr>
<tr>
<td>姓名 NAME</td>
</tr>
<tr>
<td>姓別 / SEX</td>
</tr>
<tr>
<td>☐男 ☐女</td>
</tr>
<tr>
<td>婚姻狀況 MARRITAL STATUS</td>
</tr>
<tr>
<td>☐未婚 ☐已婚 ☐離婚</td>
</tr>
<tr>
<td>身高 HEIGHT</td>
</tr>
<tr>
<td>體重 WEIGHT</td>
</tr>
<tr>
<td>血型 BLOODTYPE</td>
</tr>
<tr>
<td>鎖貫 / NATIVE PROVINCE AND CITY</td>
</tr>
<tr>
<td>現在地址 PRESENT ADDRESS</td>
</tr>
<tr>
<td>永久地址 PERMANENT ADDRESS</td>
</tr>
<tr>
<td>電話 TEL</td>
</tr>
<tr>
<td>教育程度 EDUCATION</td>
</tr>
<tr>
<td>科系 MAJOR SUBJECT</td>
</tr>
<tr>
<td>學校名稱 NAME OF SCHOOL</td>
</tr>
<tr>
<td>自 FROM</td>
</tr>
<tr>
<td>年 YEAR 月 MONTH 年 YEAR 月 MONTH</td>
</tr>
<tr>
<td>工作經驗 WORKING EXPERIENCE</td>
</tr>
<tr>
<td>公司名稱 NAME OF ORGANIZATION</td>
</tr>
<tr>
<td>當任職務 USED POSITION</td>
</tr>
<tr>
<td>任職期間 INTERVAL</td>
</tr>
<tr>
<td>離職期間 REASON FOR LEAVING</td>
</tr>
<tr>
<td>興趣專長 INTEREST &amp; SPECIALITY</td>
</tr>
<tr>
<td>興趣 / INTEREST</td>
</tr>
<tr>
<td>作品 / WORKS ☐有 ☐無</td>
</tr>
<tr>
<td>專長 / SPECIALITY</td>
</tr>
</tbody>
</table>
Figure 3. Page Two of Sample Job Application Form from Taiwan
There are two sections that are particularly different from a standard job application form used in the United States: basic information and information regarding family. In regards to basic information, it is very typical to ask for a person to list their name and address. However, asking an individual to list their birth date, sex, height, weight, blood type, and marital status on a job application in the United States is not only unusual and seen as improper, but it is often also illegal unless it can be proven specifically relevant to the job. Attaching a recent photograph to a job application is something only models and actors are expected to do in the United States.

If there would be objections in the United States to being asked to list your age and weight on a job application, surely blatantly asking for information about who your family members are and where they work would be seen as an overt attempt at invading personal privacy. While it is acceptable for a potential employer to ask for professional references, job seekers are strongly advised against listing their own relatives as references. In the United States, hiring someone based on the identity of his or her relatives is seen as nepotism in the workplace. In Taiwan and other relationship-focused cultures, it is seen as an acceptable business practice and is perhaps even necessary when hiring someone for a managerial position.

According to Chen, Doss, and Holland this is even the case when Chinese multi-national corporations expand into the United Kingdom. “In Taiwan, personal trust is the first principle and fundamental mechanism that makes personal relationships work. It seems to be unfeasible for an employer to hire a top manager with whom he is not familiar. This person must be either personally known by the boss or must be introduced by a person whom the boss trusts (Chen, Soss, & Holland, 2008, p. 15).” The importance
of trust and introductions is why the job application from Taiwan asks for information regarding family members.

This can cause problems of adaption for multi-national corporations from either country attempting to expand to the other country. For the Western manager to adapt to the culture of business in Taiwan, should they accept that nepotism is a standard practice of that culture? For the Eastern manager to adapt to the culture of business in the United States, should they accept that hiring someone without personally knowing or trusting them first is a standard practice of that culture?
Learning

Rather than viewing such situations as moments of conflict and requiring a tolerant or compromising action on the side of one party, such moments should instead be viewed as opportunities to learn. By doing business in another country such as Taiwan, it is a great opportunity to learn successful business practices that can be applied in the United States upon return. With an open mind and a broader perspective, perceived cultural differences or conflicts can become insightful experiences of a different way of doing business.

The example lesson that can be learned from this perceived cultural conflict over nepotism in hiring practices is actually a lesson in networking skills.

Networking is one of the basic skills most business students are taught is important early in their education. Students are encouraged to gather business cards and keep in touch with potential employers. In Taiwan, networking is taken above and beyond these simple ideas. “China and Taiwan rely on the stability provided by long-term relationships of mutual obligation, popularly known as guānxì (Mandarin Chinese for “connection”)” (Hooker, 2008, p. 5). The Mandarin Chinese word guānxì implies more than the two common translations “connection” and “relation” can express.

Guānxì is the social networking that existed long before Facebook was even possible. Based on Confucian principles, guānxì creates a network of individuals tied by mutual trust and reciprocity. In a potentially never-ending cycle of favors, individuals engaging in guānxì -networking prioritize their personal relationships over their business transactions. Opposite from the corruption and unprofitable business dealings that would
be assumed to follow such arrangements, “guānxì can have beneficial effects on business; once guānxì has been established, marketing costs and bad debt expenses decrease” because of the trust and obligation networked individuals have to treat their business peers in the best manner possible (Hwang et al., 2008, p. 236).

Learning how to properly engage in the level of networking required to do business in Taiwan would easily transfer to networking in the United States as well. Many of the ideas about networking being promoted currently in the United States have long been in practice in Taiwan. For example, on the Ventuneer blog, Howard Levy offers these ‘Top Ten Tips for Networking’:

1. Be a consummate professional.
2. Know your audience.
4. Create a contact database.
5. Get in front of people as often as you can.
6. Know how to build relationships.
7. Look out for other people’s interests.
8. Understand how to ask for a referral.
9. Make a commitment to networking.
10. Trust your instincts.

Despite the emphatically deal-focused nature of the business culture of the United States, most of these tips are arguably very relationship-focused. Knowing how to build
relationships, creating a contact database, looking out for other people’s interests, and making a commitment to networking are all values reflected by the guānxì style of networking in Taiwan.

The guānxì style of networking can relate to and enhance social capital. David Halpern’s book *Social Capital* argues that “shared social norms and interlinked social networks facilitate cooperative economic action” and that “global social capital should facilitate global growth” (Halpern, 1994, p. 69). The benefits of social capital include reducing “transaction costs by altering the terms of trade; eliminating, or greatly reducing, the need for expensive contractual arrangements; generating decision flexibility; and saving time” (Halpern, 1994, p. 44). Nations that share cultural norms find trade arrangements easier. Individuals with a “more extensive social network—especially networks that reach widely (bridging network social capital) is associated with lower unemployment and higher earnings” (Halpern, 1994, p. 70).

Returning to the questions asked during the research interviews in Oregon and Taiwan, the third core question reflects this idea very well. When asked for advice on how to best do business in Taiwan, business professionals in Taiwan clearly reflected the idea that understanding the local culture and understanding that the relationship must come before the business deal are crucial to successful business across borders.

For the upcoming generation of business leaders facing an undeniably multi-cultural and multi-national business experience in their lifetimes, learning how to conduct business internationally will greatly enhance their ability to do business in the United States. By approaching an international business venture with an open mind and a
willingness to apply international business practices to business in the United States, businesses back home small and large can be given the benefit of the best business practices in the world.

In the business world, IQ and EQ are no longer the two forms of intelligence employers should be seeking. CQ (cultural intelligence) is increasingly important and should be added to the list of sought-after qualities in employees. Further research that successfully integrates social sciences with business practices is needed.
BIBLIOGRAPHY


APPENDIX A
1. What is the most valued quality in a potential employee? What skills are most valuable in high level employees?

Oregon 1

One is being totally committed to the cause. Many people are committed, primarily, first to themselves. Many companies are committed, primarily, first to themselves. And while that’s all well and good, it means that things are going to be suboptimum for the whole. By definition. Look at it from a systemic perspective and if you do the analysis. Whenever that’s the case, then every group... And if you have 50 groups, then it becomes more and more compromised the more groups you have. Well, most things today take a lot of folks to get it done, and so on and so forth. Then you start spreading the responsibility around the world—oh my goodness. You can get so territorial and… So, it’s certainly not the only quality.

But the ability for people to look at what it is they are trying to do and put that as the supreme objective. Now, the most valued quality from a business is that the business better be able to state what that goal is in a way that’s clear. And the way one person relates to that goal and what they need to bring to that is going to be different than what somebody else. But it’s the responsibility of the organization, therefore, to say ‘here is what we’re trying to do’ and for people to put that cause extremely high. Now that’s not maybe going to be as high as family, but you understand the point. Certainly they need to put it above the career.

I’ve seen so many careerists. People who, when you ask in an interview, ‘so where do you want to be in five years?’, it’s always this and this and this. People that
have that as a first objective aren’t necessarily doing things in the best interest of the organization or certainly in the project or others and so, I’m a little different there. But going back to most important quality. Obviously, when I said ‘most important’ I even put that in front of competency. Well, no. You need to be competent. Although I will say, I will take a team of people holdout to a cause where each individual has a little less competency way before I would take a team of all-stars that are each the world’s expert in a different field but you can’t work with them. In fact, I wouldn’t even hire the latter two. Even though they are individually so gifted.

Oregon 2

For me, it’s the ability to think. It’s the ability to think and communicate. You’ve got to be able to bring in information, process the information, make a decision and then move forward. And be able to engage others in that process. So where I get really frustrated is dealing with people with people who in my view aren’t capable of thinking. You present them with a problem, you present them with a set of circumstances, and it’s just not working.

Oregon 3

To me, probably, the most valuable quality in an employee is having someone who has a demonstrated ability to learn, but who can be successful while they are
learning and achieving business results. So, if you will come in and learn things, be willing to change, and at that same time deliver results for your business.

Oregon 4

Besides graduating from Oregon State? I think it’s looking past the GPA, and looking past the actual curriculum. What I look for—that’s kind of table stakes, you’ve got to have an x, y, z, GPA, and, you know, you’ve got to have this certain background whether it be accounting focus or financial focus. What I’m looking for are people that can work in teams, that people have a lot of experience working in the community, working with others. Many times people working with and students working with folks that are outside of their areas of expertise. People who have quite a bit of experience, if you’re in the school of business, working with folks in the engineering school or folks in home ec or whatever. So that you’re comfortable getting out of your comfort zone. And that’s kind of really the number one thing we look for. Besides being very broad in there, I like utility players—not so much first basemen.

So I’m not necessarily hiring for a specific skill that I want that person working for the next ten years. I’m looking for people that can elevate and move in to leadership positions over the years. And so, to do that we’re looking for students that can be very broad and very interested in a lot of disciplines. And aren’t necessarily going to tell you in the interview that ‘my goal is to be an accounting manager five years from now.’ I’d almost rather hear students say ‘you know, I want to get a good job at a good company coming out of school and we’ll see where it takes me because I like to play in a lot of
different areas and to be honest I really don’t know where I would be the most challenged and be the most beneficial to a company’s success.’

Oregon 5

The most valued quality in a potential employee is strong ethical make-up. Because I think with any publicly traded company there’s that risk and so, working for a large publicly traded company anyway, you’re always responsible to your shareholders. So you need people that are going to keep that in mind and walk the walk and stay on task so that you don’t expose yourself. And probably the other thing, for me personally in my employees, is the work ethic. And that is not measuring what you’ve done by how many hours it’s taken you to do it; it’s based on your results. And for some people, its—I always equate everything to sports. Some people can run the 100, without working out every day, and beat ¾ of their competition. Other people have to train six days a week and do all kinds of things in order… To me, that’s more important—that you have the stick-to-itiveness. And grasp on what is success. It’s not just time, it’s always the results.

Taiwan 1

Culturally, for Taiwan 1 global, regional, or local firms we have some competencies for our employees. And for those entry level employees, we focus on more their accountabilities and team work abilities because this is a very professional field. We need to not only work independently but also can team work. And it’s also important for those
entry levels to keep learning and also building relationships with others, not only with their clients but with their colleagues and with their report systems. And for those senior, maybe especially for senior managers or higher-level, especially partner candidates—for those people, maybe a business focus will be more important because they need to have the ability to develop some and bring some new business or to maintain the relationship with someone. And besides that, they need to have the ability to develop people because they need to transfer their experience and their knowledge to the junior levels.

Taiwan 3

The most valued part would be the integrity. That is my favorite part because that’s the finest person. And I also look at people who are embracive or passionate. I think it’s very—the most important for career development. Of course, the skill—the basic skills they have to equip themselves.

I would say people who have the capability of personal effectiveness, which is self-control, self-confidence, and people who have flexibility and commitment to the organization.

Taiwan 4

1: In my opinion, I think responsibility is the most important one. Especially with quality, more than quantity.
2: I would like to add that I believe teamwork, skill, and spirit would also count as part of the very important qualities we look for in a good employee.

Taiwan 5

I think from my experience, I think you just need to work hard and be very aggressive. Because right now if you graduate from college—I mean, for the steel business not for high tech-industries. For high-tech, you need to have a very strong background for this area. For steel business, whatever you study you can go into steel business—you just need to be aggressive and have motivations. You need to know you like this company. You want to do this business to sell the steel. Some people think this business is very boring, it’s cold and it’s very heavy, you know? They don’t like it. But high-tech products are very interesting. You have to know, ‘do you like to sell this kind of product or not?’. If you don’t have your motivation then you don’t need to go to these companies. And if you want to sell this product, then you need to work hard and know all the professional details of this kind of business. And after that, be aggressive to talk to your customers. My department is the sales department, so we can use language. If you can speak English very well, you can reply to emails to customers, and you can get all the answer to the customers—it’s very important. For others, if you graduate from a college is enough qualities.

Taiwan 6
I think we can separate two kinds. First one is the new employee. New employee means maybe coming from the university—a student. First one, we should be matched their education background. For example, (TAIWAN 6) is a microwave electronic company so we will choose the double E or so as background. But this is basic. But the other one, for the new employee, we need the new employee to have the passion for this industry. He should be very interested in this area. Otherwise, we don’t let him into (TAIWAN 6). So I think the passion and the background is the major selection for new employees.

But for the engineer, it means they need to have three or five working experiences. We are focused on the cooperation. Can he cooperate with other teams? This is the first part because I think you can see that one product cannot be built by one man or one team. You should be leveraging a double E design team; you should be leveraging a mechanical design team. So different backgrounds of engineers—how to cooperate to develop one product? Cooperation is very important for them. So there we have a different requirement.

For the manager, I think the most important is the willing to face challenges. The second is courage. Because we don’t know tomorrow what will happen, but usually we have the confidence to face tomorrow’s challenge—this is very important. Because you need to lead your team and the employees step by step to the new areas. So courage and facing challenges is very important for the manager.
APPENDIX B
2. **How do you build a sustainable business environment for innovation and entrepreneurship?**

*Oregon 1*

I feel pretty strongly about a direction that business has taken and that I think is wrong. Especially in the United States we were known as a very innovative country. If you look at many of the breakthroughs of the 20th century they came a) primarily from the United States and b) primarily from one kind of source in the United States and that was the big industrial research labs, whether it was the laser or the transistor or the microwave or the… And again, from an engineering background I’m talking most about engineering breakthroughs. I can some with some degree of confidence that none of the big breakthroughs, or very few of the big breakthroughs, of the 21st century will come from those sources. Why? Because those sources don’t exist anymore. Yes, there’s still HP labs and so on and so forth, but nothing like they were—they’re not funded, they’re not staffed like they were. Why did that happen? And why is it that today, when it used to be that Bill Hewlett and Dave Packard told me that the most important asset we had wasn’t our patents or our technology or anything else—it was our people.

Why is there no evidence that that’s the case that companies feel? I’m not picking on HP, its all companies—it’s all large, good companies that I know. They feel like employees are almost expendable and employee loyalty or company loyalty to them is nice but not a necessity. I know you asked me what’s the right environment. Well the right environment—if you’re going to ask people to take risks, they need to have some confidence that it’s going to be worthwhile. And not that if I take a risk and it doesn’t work out, the very first thing is that I’m going to be out of a job. So that turns out to be
critically important, and it’s critically important whether you’re doing that in the United States or Asia. Asia—tiao su (?)—there’s a term for fear of failure, and I probably didn’t pronounce it right, but in Singapore when I was there I learned pretty quickly that innovation wasn’t seen as universally a good thing because it was risky. And if it didn’t work out, you felt like it was a failure and you would lose face and so on and so forth. So at least there, I’m assuming Taiwan is probably similar to that. Or was at the time. Taiwan has changed—well, both have changed a lot over the years.

But if you want to have an environment where people thrive and are willing to take those kinds of risks you have to put some safety nets and that’s all around people, their job, around what you will encourage them, what you will reward, and you have to be more tolerant of things not working like you expected them to if you’re going for breakthroughs. It’s hard to find a technological miracle. It’s even harder to schedule a technological miracle. And if you’re trying to do all of those things in an environment where you have to this product, on this date, at this price, well you’ve so enclosed the degrees of freedom that the chances that this is going to happen, you’ll just water down true innovation and what you’re trying to do. So that’s one of the things. Treat the people—it is the people that are going to come up with those innovations. Yes, you’ve got to give them the tools as well—tools to communicate, tools to compute and analyze and all the rest of that. And then you need, like almost any team—a sports team—you need a model of success so that people feel like they can do it. So many teams that I’ve gone to that are small teams and you ask them to go forth and do something that’s never been done before, they have no confidence that they can do that because its hard and it’s done so rarely.
And yet teams—I’ll go back to my example on an earlier question about how so many breakthroughs came from certain groups. Just like sports teams—the winners tend to replicate wins year after year after year—sometimes it’s the coaches or the environment, but sometimes it’s just that faith. And I know you don’t talk a lot about faith in science and engineering and business, but there is. There’s a confidence that comes from those that have gone before you being successful. Some of that’s important as well.

Oregon 2

Empowerment. You’ve got to empower employees to make decisions about what they’re doing and how they do it. So the more informed you keep your workforce on what you’re business conditions are and understand you’re running a business. And, therefore, there will be decisions made that are going to affect people that aren’t always going to be the most favorable or the most palatable, but they’re necessary for running a business. So as long as people understand these are the business conditions, most people can accept those decisions, even though it may impact them on a personal level.

Oregon 3

I think you would build and sustain an environment for entrepreneurship by making it one of your company’s core values and beliefs, and then setting up systems and practices that reward people when they demonstrate those behaviors. So everything from
having part of their pay, potentially, tied to innovations or to entrepreneurial behaviors. Maybe that’s one of the criteria as part of a performance management system that you use. You could have a dedicated set of trainings that you provide to people to kind of help foster that. You also need to allow people time if you’re expecting them to come up with new ways of doing things or to think at a broader level, you need to give them time in their day where they can kind of put the ‘I need to email person X, I need to respond to this particular request or proposal or something’—they can put that aside and kind of think through ‘how are the ways that we’re doing business? Do they make sense and what could we be doing to be more innovative or entrepreneurial?’

*Oregon 4*

How do we, basically, create an environment where innovation flourishes and is something that’s an integral part of the business? It’s very difficult. The United States today still has a leading position in manufacturing, if not the number one position in manufacturing, and a lot of that is through innovation but it’s getting more and more difficult. And so it’s really a good question. What do you really want to focus on when you come out of school? Not just on the communications side, but thinking about things differently. When you walk into an environment—whether it’s an accounting process or a new product introduction—how can we think of things differently? How can we innovate? So innovation is not just, necessarily, coming up with new products. Its innovating processes, its making things more efficient and as long as I think we can continue to do those things in the United States and obviously other countries as well—I
think that will really differentiate countries over time is that ability to innovate, differentiate, and create change for the better.

Oregon 5

I think you have to go out and talk to the industry leaders because you have to have an understanding of what market you’re in. Of course, I’m going to take everything back to wine. It’s very difficult for a small winery, or people who think ‘oh, this is fun. I think we’ll start a winery.’ to go out and—everybody can make it, build a beautiful building, you can have a lovely label, but it’s all about—does it sell? And there are those people that are entrepreneurial and that have a great idea and that they’re ahead of the curve and they see a need. And then there are a lot of people that want to be ‘me too’s. And so having ongoing conversations with key leaders to know where the industry is and then also having a lot of street-level contact to kind of get what is the buzz. Which is what entrepreneurship seems to me. Innovation starts with—I mean, in our company we have annual marketing meetings. Always trying to determine what is that next thing out there because the consumer is shifting, the world is getting smaller. We’re in an industry that is considered a luxury good. You certainly don’t have to have a glass of wine every day. We’d like to think you would, but it’s absolutely a luxury good and also it’s a hobby. And so there’s a certain cache, there’s a certain kind of aura about it that you want to—we’re not in the inexpensive wine business, we’re in the more expensive wine business—and so you have to keep that aura and you have to feed that brand imaging. And so you do that through association through some of the fine dining, right?
And I guess you could apply to whatever you’re getting into. You know, what is that sticky point that makes people want, you know makes them feel good. We used to call it the lipstick thing, right? Women could put… You could go buy Cover Girl mascara for $4.99. Right? But that whole Estee Lauder/Lancôme industry is built on spending $25-$30 for mascara and it’s that “because I’m worth it” factor. And that’s what the wine business is. Particularly when you get beyond just ‘does it taste good?’ Then it comes into ‘does it make me feel good that I’m able to do this?’ So it’s important to know where you fit into that and you need to know your business well enough that you can’t just show up at a trade show and just hope that somebody comes by your table and buys your wine—and that happens a lot with small people that don’t have the resources to really understood who the movers and shakers are.

Taiwan 1

Because Taiwan 1 is a very global firm, we have very well-established systems and policies to train or to encourage people to our targets. Maybe especially for business targets.

Taiwan 4

1: I would suggest just to set a target and then use all available resources and try to achieve it and always keep creative thinking. Passion is important as well.
2: Incentive goes along with passion. Because people are at work, and I need to be incentivized as well. I think that goes hand in hand.

Taiwan 6

I must say because I think… Five years ago, actually (TAIWAN 6)’s organization and design structure—the business model—because customers give (TAIWAN 6) the engineers, the expense, so we borrow the specs to design, in that moment customers say you should be designing a square shape—so we design a square shape. So most of the innovation is not too much. But recently in the last five years, we start an incentive program at (TAIWAN 6). If you apply for an IP certification you can get some bonus from the company. So five years ago why we want to set up this kind of program? Because my feeling that more and more of our products are not the only ones and we should be able to provide solutions to our customers. That will increase (TAIWAN 6)’s value for our customers. So to add (TAIWAN 6) value means we should mix some business innovation.

So in (TAIWAN 6) we said the innovation the definition I just can say if you apply this technology or concept or process innovation—if you can pass the certification to get the IP number we think this innovation. So we will follow with some incentive, give some bonus to the initial engineer. So we can see in the recent five years each year we have a 25 percent growth rate in patents. The patent number has increased. It’s very huge. My feeling is if you want to encourage engineers or somebody to have innovative thinking, the incentive is very important. You can encourage people to think what kind of
innovation you can apply this product or you can apply this manufacturing process or this design process.
APPENDIX C
3. What advice would you give foreign companies wanting to create business relationships in Taiwan?

Oregon 1

A couple pieces of advice for companies that want to create business relationships either in the United States or in Taiwan… One of which is obviously communication is going to be integral to what you do. Relationships. Some things are universal. What things are universal? Things like relationships. Having a good relationship with individuals is always key. And yes you need to document and other things; we’ll probably touch on that later. But at least in my personal experience I’ve never found anything really as important as the relationships you establish with individuals.

And if you’re going to establish a relationship with an individual you need to know something about their cultural, their background, and where they come from. That’s always true. And so that’s another key.

A third key--and again I’m thinking about universal things for almost any country--is being able to interpret. Obviously in terms of communication, interpreting the language and if it’s Mandarin or English or whatever, it would be wonderful if everybody spoke fluently in both languages. Probably that’s not going to happen in my lifetime. But the language that you can interpret, that is universal, is body language. When we smile, no matter where you’re from—you know what that is. When you’re happy in general, you know if someone is. Now sometimes in business we want to keep a stoic face and play our cards close to our chest, but learn to read body language and be a student of body language if for no other reason because body language is universal. Therein lies the
problem if you’re on the phone, because phones don’t translate body language very well. More and more as time goes on that’s starting to change as we have video conferencing and other things. But that’s another tip.

*Oregon 2*

Understand our regulatory requirements. There’s, especially in our industry, there’s a lot of regulation in what we make, how we make it, and the processes we use to make it. Have an understanding of those coming in. Understand how we do business. We’ve got our own accounting practices. Our company is publicly traded so we’re subjected to SEC rules and Sarbanes-Oxley, so to come in and try to bribe us to get our business won’t work.

*Oregon 3*

The advice I would give to a company that wants to do business in the United States would probably be to find some good partnerships. Whether that’s working with professional business associations, local governments, things like that. So they can get a feel of what resources and what support would be available to them. Probably would also depend a little bit on what type of venture they were looking to undertake.

*Oregon 4*
I think that happens every day obviously. In our workings with companies that are offshore whether it be in Europe or southeast Asia its really about getting to know the people, the products, the competencies, and trying to develop a mesh of the two companies together. Many times it relates to the strength that we’re lacking so some things that we’re looking for when we’re dealing with companies in China or Japan especially is their access to their markets which maybe we don’t have as much presence or it’s a certain technology that we think or we partner with our technology that gives us a competitive advantage. It’s really what companies should be doing in working with US companies that are offshore is trying to find those areas where synergies can be obtained.

Oregon 5

Find reliable data. Very similar to probably what we were talking about with the previous question. For us, we look at Nielsen’s; we look at consumer trade organizations. You know, what are the trends. In wine we have whets called the wine consortium and it’s made up of some of the larger wineries coming together to gather data and we look at trends based on geography but also age demographics. So you take at look at the baby boomers—how many core consumers are there in the baby boomers vs. occasional users? Compare that to the 18 to 29 year old group. How many of those people are core consumers? What is the average they are willing to spend? Which interestingly enough there are more core consumers in the younger generation as well as willing to spend more—quite a bit more. So as a result you have these two huge demographics. Because baby boomers are a big group and this other is a big group.
We’re excited because as our consumers start to age we have this younger population that is actually consuming more and spending more. Now they’re not brand loyal. That would be the difference. Lack of brand loyalty is a scary thing when you start getting into it. But then that all comes as a result of exposure. But you know the social media, how that’s impacting things. And that would be the other thing. As far as business in America, it’s the change of how you communicate to your consumer. Maybe that’s a worldwide issue, I don’t know. But I know that here for us its—typical print media is not effective anymore, or not as effective. It’s more social media. Social media you have less control in your messaging. You have to be very nimble and then kind of take—and that’s where I think a large company has some advantage is you can do the research to gather that information to target specific groups. But as an industry we need to make sure that the whole industry is healthy. For us, we’re a Washington based winery. We have eleven Washington wineries and we do a ton of research that we share with anyone with a winery in Washington. Because we feel like we’re not just competing against those wineries, we’re competing against California and we’re competing against the world. So its nicheing things. And that’s important no matter what business you’re in, I think, in the current climate in the country.

Taiwan 1

Actually it’s different from doing business between western culture and local culture. Because for not only Chinese but also maybe Chinese people may not like western or foreign people. Maybe for western cultures when they do business maybe they
will just focus on the business issues only. Maybe to discuss the business directly that for Taiwanese and Chinese, maybe they need to take time to establish long-term relationships. Some big business maybe like the big deal after a long time, maybe after drinking, or some more information and relationship. Focus on feeling more than professional relationships.

Taiwan 2

You need to know the Taiwanese culture. I’ve worked for foreign companies for more than fifteen years and I have many friends that worked for Taiwanese companies. I would say the culture is very different and you need to know how to utilize the best part of the Taiwanese people. I will say the culture or maybe the government relationship or the regulations or the Taiwanese communication is very different from foreign companies so you must understand how to let the Taiwanese people accept that. For employees and also for the customers.

Taiwan 4

1: I think it’s pretty important to understand the local culture, and you need to know the political system and the economic development. For most basic ventures we’re involved with different activities from for those foreign companies.
2: It doesn’t hurt to really know the government policies—taxation, regulations, and rules. Speaking from our own experiences. And they change so often I think it’s good to keep updated.

Taiwan 5

I think right now in Taiwan we’re trying to—because we got a very strong competition from mainland China—so we’re trying to tell customers what different is Taiwan. Because we provide good quality products—it’s the most important. And also we produce high value products, but not a normal one. I think if you want to create a business of some kind if you’re trying to do business in this area, it’s not the same as mainland China. Taiwan can provide high end, good quality products.

When you’re doing something like selling a pen, you can find a very competitive price in China. You don’t have any advantage. So you’ve got to figure out what kind of product works for you and what kind of product people want you to manufacture to have a good quality. And you can get competitive price between maybe Japan or the United States or Europe and then you’ve got an advantage.

This is just for our industry. For some—because I have worked for Texas Instruments (my background is engineering, not business) before for probably two years—in Taiwan we have the high-tech industries. I think we need to move from just doing these. But right now Taiwan is doing very well. We want to have the design house in Taiwan and move the manufacturing to mainland China.
Actually for (TAIWAN 6) our business model is we call it the ODM business model. The ODM business model means the customer gives (TAIWAN 6) specs. We follow the specs to design and manufacture the product to offer our customer. For the micro application, actually we provide the subsystem or subcomponent to our customer so most of the system customer they are located in the foreign. Most of them located in the United States. So we build business model most of it of these. We provide our sample to our customer. If we pass and qualify, we can build up a business relationship between (TAIWAN 6) and (TAIWAN 6) customer. The next day we are working on the next generation of the customer product for product development. So we use this approach to build up business model and build up firm relationships with our customer.
APPENDIX D
4. Do you think that the current education system adequately prepares the upcoming generation for the workforce? What would you change?

Oregon 1

In terms of the whole process of education and the education system and how that prepares us for working in the new environment—and by the new environment I mean most jobs are international job, even if you have a local job there’s so much involved. We’re a smaller planet than we’ve ever been in the sense of communications and the rest of it. The answer to that question of does education adequately prepare and maybe how would I influence that if I could depends on what discipline you’re coming from. In engineering it’s gotten better and better. But I can tell you over the years—30 years ago we would design into our schedules in engineering schedules at least three years for a new graduate before we thought they would cross the mark from actually taking more resource than they could contribute. That’s not quite as long these days in some institutions. I’m talking about graduates and PhD for that matter.

But from an engineering perspective, universities used to teach disciplines—they didn’t teach engineering. They would teach computer science, electrical engineering, mechanical engineering. You never work on a project as a single discipline. They are all multi-discipline. And not multi-disciplinary in terms of the engineer and sciences but in terms of marketing and business and you really need to not only theoretically know but insightfully know the interactions between all those. So how do you prepare that in school because schools are still primarily discipline-focused? They’ve gotten better but doing things especially doing things for businesses are very complicated. Having a successful business is very complicated. I can’t tell you the number of incredible
breakthrough technologies that I know about that made lousy businesses. And yet from an engineering approach you might tend to think that’s exactly what you need is necessary but not sufficient. Well it’s not always even necessary buts it’s certainly not sufficient.

So that’s one of the things. Education. How do you make a person while you’re trying to get them much more steep into a specific discipline much more knowledgeable about some specific thing that they are quote unquote majoring in to help them understand the goals more. Back to one of the other things I just mentioned, relationships, people are always incredibly important. We need to influence people. You might have the greatest idea in the world if you can’t get that across and convince other people of its merit than its worse than not having the idea, it’s almost…well… So one thing in terms of influencing education is make sure—just saying that a broad education is. So that means anything is education. In some ways that’s true. But having education so you understand cross disciplinary and the cross functions of a business. I mentioned earlier marketing manufacturing engineering. And then finally, international if you’re either selling products across the world so you need to understand insightfully how products have changed or you’re building products across the world—you’re travelling and working with lots of folks. All of those things I think are all coming and they exist at different schools at different levels.

Oregon 2
You know how I’m going to answer this. That’s why you came up here. It doesn’t work. There’s no relevancy—my view of the world right now is there’s no relevancy, especially in the K-12 system. There’s no relevancy of what’s occurring in the classroom as to how it works in the working environment. And so when I look at high schoolers graduating if you look at their basic skill set they’ve got to be able to communicate, they’ve got to be able to read, they’ve got to be able to do basic math, they’ve got to be able to be part of a team, they’ve got to be held responsible and accountable for their actions—that skill sets they same whether they come into my environment as a production employee or whether they go on to a four year university, they same skill set is there. In my view the K-12 system is really missing the mark right now because they’re not building relevancy in the classroom. I believe that’s a big contributor to the high dropout rate in high school because they kids just don’t see—“why should I be going, it’s a waste of my time, I’m going to go Facebook and do other stuff because it’s more fun.”

Oregon 4

Does the current educational process system at Oregon State and other schools prepare students adequately for, if you will, real life here in the business world? You know, again, an Oregon State graduate I would have to say that especially in the school of engineering, in the school of business where I have more experience you know and relationships that the current process prepares students very well especially in the honors school but you know this has happened really through a lot of hard work from Ron Adams and Eileen to mash the schools together to be more practical in how we’re
teaching students. Back in my day that wasn’t the case and so you graduated from school, you came out, and you got the real world experience which was really kind of a tough learning environment because it was so textbook vs. practical experience.

Now there’s a lot of things that are going on in the school of business, school of engineering that helps students understand that it’s not just the textbook—it is real world examples of working with businesses. Some specific areas might be in the school of business much more focused than in the past on financial skills not just accounting skills for a lot of our current graduates. When you come out you have to really have a very broad background in a lot of disciplines to be successful. And I think that’s been another thing that’s changed quite a bit over time as we’ve seen more focused on helping students become more broad in their educational background. Investor relations would be another area that I think just understanding the stock market and how the equity markets work around the world---not just how stocks are traded will help students more and more when they graduate from school. So I think Oregon State is doing a fine job and I just think more of the same would really be good.

So recommendations for changes to the current curriculum maybe and process in the school of business. Okay. One thing I would say I still think there probably isn’t quite enough focus on the investor and the equity market side. You get that in a number of the finance classes but the practical side of when you come out of school, you go to work for a public company, dealing with investors on a daily basis understanding what they’re looking for in company performance and helping them understand the company stories, there’s a really big communication aspect that’s required in current school of business graduates that both on the investor side but also in working and business partnering with
other folks in the business that you go to work with. So communications I think is a very, very critical part whether it be communicating with somebody to work to solve the problem or communicating with investors about what that particular business is all about.

So a minor in communications is actually something that I look at a lot and I think that’s a very, very positive minor for a school of business graduate to think about. I think you could use a little bit more that (one BAC class), especially to the graduate that’s looking to go into public accounting or indirectly into industry. I think skills in public, communication skills and organizational behavior, things like that are very, very important.

Oregon 5

The current education system… This is the most difficult question for me out of your general questions because my experience… I have kids that are 14 and 17, so when I think about education... my college education reference point that would be here and that was a long time ago. Then I look at education from the standpoint of K-12 and we sent our kids to private school K-8 and they’re in public school there’s big differences. And I do have concerns about public education K-12 and I would imagine that that influences what happens in higher education. You can only work; I guess it’s like grapes… If you have a terrible vintage and things don’t ripen, it’s going to be hard to make good wine. If K-12 public education doesn’t give us good material, it’s going to be hard to have… you can’t expect universities to mold class, whatever, so… I do have concerns.
So then I look at private schools. Private school in our case was a French-American school. Very high standard, very high expectations, very small class size, but really doing work—my daughter was doing work as an 8th grader that is more than what high school is expecting of her as a junior, as far as what they’re expecting. So my concern is that as a country (this is too political probably) we don’t look to say how much more can we invest in K-12, but that’s our biggest threat. Instead we look at how can we cut K-12 or universities and so that I don’t know that we’re doing a good job. I’m not confident. Now I have to say at the same time I don’t hire people directly out of college. And as a company, we very… we really don’t, other than maybe from the standpoint of if you get a knowledge degree from UC Davis or Washington State, we would bring you in as an intern or a lab tech because… But as far as sales organization or marketing organization, we hire people with a background experience. And so we’re not looking as much at people’s GPA as what their performance was in that work environment and what tools they bring as a result of that.

But I think when you look at the education system we need to spend more time on math and I think when I look at what kids…what my kids do, you know, it’s more squishy as opposed to really knowing ‘do you know your times tables that you can just bang them out?’ There’s just this quickness of thought, these are things that are probably very boring but it’s good to know.

*Taiwan 2*
No. The current education system in Taiwan, they designed for the how to be a very good study people how to memorize, but the lack of innovation which is very important for current status and they also lack how to work under pressure. So I have some help and from help I found that ‘wow. They easily feel frustrated.’ And they may not know how to solve the problem by themselves; they need to consult me every time. So they’re lack of conduct of powers of being, ability, or they are not that independent. I think that’s the current education they need to try to solve this.

Taiwan 4

1: I don’t think so at this stage because from my experience I think the is still not good enough. Even for those minister of education also office of, and they still don’t have such kind of view. They probably have, is still not good enough because those. Maybe there should be more exchange students, exchange program in the future. Maybe even start from the elementary school, not just from high school or university.

2: I agree. To the system we have? Well, the thing is everybody almost all the students in Taiwan are able to go to college and have a university to go. And in argue, I wonder, the quality is catching up with the degree of widely accepted enrollment to the colleges. So I think for that… The door is open for everyone, but once you inside the door, when you get out of it… It’s really hard to say. You can see everyone walking on the street with a college degree, but you don’t… I doubt if for their getting out of school what those graduates get out of school ten years, twenty years ago. So that I would argue would be some changes.
In Taiwan. Not really but you know… Because right now, the time is different. A lot of people they have their own thinking. They know how they’re going to do for next. Like today I’m listening to radio, there’s a show in Taiwan called Superstar. And people they go, they want to go to them program sing a song to others and if they got like a champion or they can be the top 5, maybe they can to have a song to market and make money. And it’s for only the junior high school students can enter this. They’re thinking to have a great education, to go to college to find a job. So that’s a difference for our age we’re thinking we’re going to college and must obtain a PhD or MBA and then after that find a good job and just try to work hard. But right now you can see young age people they are thinking to go to a show, something different and also they go some different idea they want to do something design, something special, something like an iPhone. Right now is a guy very hot in China called Jason Wu. He designed… So people are thinking I want to be like Jason Wu or like I want to design some products for Apple or Sony or something special or they want to go to a show. So I think it all depends on how people think. If our age, we’re going to college or you just have to graduate from high school or you go to… But the system in Taiwan is very good, it’s okay.

I think that at least you have to finish your college. Its better. Because when you study in college, they are not just training you how to study but also training you how to like if you need something, how to do research and how to compile information to get and figure out how you want it. It’s a system, its training, it’s not like just go to college
and have fun. No. They are teaching you to do something right. To high school, maybe not—just some basic math or language or history, that’s it. But if you go to college they will train you very well how to produce a… If you’ve got a problem, how do you solve this problem? It’s very efficient. I think that’s why, at least, we need to go to college.

They only teach you how to do things a certain way. Another way you can use it to do for everything. It’s very general.

Taiwan 6

Yes. Basically I think that in Taiwan the university education is well prepared for the next generation technology, especially for example I think that in Taiwan is very famous industry includes notebook pc and the panel and some semi-conductor related to the technology. Because in the… And also I just one year, I visited Jiao Tong University located in Shinju, they also have very strong the system on chips—the design, the technology inside. So I think they’re education training course is following the world of the train to match. Yeah, I can say. But maybe the real working experience, they are shortage. So most of the Taiwan company they are willing to offer these opportunities for university students. For example, in (TAIWAN 6) the HR department we have the one policy—we would like to support opportunities to the university students. So when in the masters, we offer the scholarship to them, then they can work in (TAIWAN 6) in the summer or winter vocation. And after master’s education, they can directly into (TAIWAN 6). So we use these interactions the process so we also can choose very good and very talented students for future work in (TAIWAN 6).
I think that the education, the biggest problem is the from the high school student to the university because they should be entered the national examination. So a lot of pressure for students. But it is not easy. The other one is that I think too many universities in Taiwan now. So we, the government, should have very fair system—how to judge this university is good and how to judge this university is not good. We should be having the some ranking there to explore for the high student reference.
APPENDIX E
5. What future trends do you see for business in Taiwan, in the United States, and in the world?

Oregon 1

Future trends that I see for American companies. I’m hopeful, you know a trend is the last two or three points and if you look at where they go, I’m hopeful that the current trend, that the last few points that I couple point to in American companies, are not the future trends. We just talked some about that. That I see companies going away from commitments and contributions to both customers and employees and more towards this quarters financial results. So I hope that turns around. I believe it will. And the reason I believe it will is I don’t believe that’s sustainable, long-term sustainable as a practice I think other companies that are going to run some of the current big companies, run circles around them. One of the things I would love to do is see some small companies who are successful, one of my concerns along those lines is the way we fund companies these days whether it’s through public IPOs, public offerings, or through venture capitalists—usually small companies do venture capitalists, larger public offerings, both tend to promote you towards those short terms goals. So I hope that trend changes.

And yet the United States still has all that it had in the last century as well. As long as it recognizes that, and doesn’t kill the golden goose---which is partly innovation, that’s a huge part of what we’ve had and is very much about people still. Our natural resources—you know there was a time in the history and time when natural resources. That hasn’t been the case for some time. And I believe it will change even more as we go from oil-based economy and others will struggle for the natural resources there still. And I’m personally committed to helping some technologies to change that. And I think that’s
a trend, too. At any rate, American companies are still great companies. We have... we in
the United States have learned to be international. That’s one of the things we have
learned. Other countries when you were surrounded by a whole bunch of other countries
just grew up knowing okay you’re one country among many. The United States most of
us grew up, you know their fondest ambition—you know, when I grew up in Alabama
my fondest ambition was to visit the great nation of Texas. Because it is, you know, it’s a
big country. But we’ve become more international and that’s the truth. And just having
the financial resources that we do is terrific. The last thing I have to say, especially in the
confines of where we are, education—the United States still has a fantastic tertiary
education system and that’s a huge benefit I think. We need to learn how to take
advantage of that. And appreciate it more.

Oregon 2

The big issue that I think we’re going to see happen is how do we tap into the
retired workforce. Because what we’re seeing happen is people are retiring and they’re
leaving the workforce, but they get away from work and they’re looking for things to do.
And we’re an organization where we could put more people to work forty hours a week.
And what we’re finding is that portion of our workforce is willing to come back and work
part time and we’re refer to it as the tribal knowledge. You work here long enough, you
learn our language, you learn how we do things, and so we’re continually bringing those
people back in to help train others in the workforce. Another activity is the aging work
force activity from where we talked about the aging workforce, what are we going to do. And I think reaching out—that segment of society is going to continue to grow.

Oregon 3

I think you’ll see continued advancement of technology. I think you’ll see more knowledge capture technology. Whether its customer needs wants uses for products and services or that sort of thing, or employee knowledge capture, I think you’ll see more focus and more changes in terms of I don’t think we’ll use traditional office spaces. I think you’ll see more people telecommuting and using flexible, non-traditional schedules. I think you’ll probably see more consumer-driven mentalities as it relates to healthcare and benefits for employees.

Oregon 4

The future trends are really related to not forgetting that we’re the number one manufacturing machine in the world. A lot of people forget that. We’re still the number one manufacturer. We lead in seven of the twenty some categories that are tracked, including forest products, paper products, and a number of things like that. And I think what many times you hear is that that’s not the case, that we’re not. We can bring it back and we still are very strong. So that’s really an important thing to think is that we’re coming from a position of strength. In Southeast Asia, Taiwan more specifically, it’s tremendous upside. I think taking advantage of what you have done to be a part of the
best educational system in the world also and then try to get international experience in
your career is very important to apply what you’ve learned but also to have international
experience whether in a three month tour over there as part of your curriculum or actually
as a part of your employer’s job training we talked about to try to get some of that
experience outside of the United States is very important.

With that will come what it will take to be successful? You have to be innovative,
you have to be thought-provoking, you have to kind of think out of the box and think
about the results, all of those things, all of those things, right—but you also have to have
the international perspective and back when I graduated we had no training in that at all.
We learned on the fly. You at least had courses and curriculum that has allowed for more
of that. Even with folks that are part of our partner programs that will come in that you’ve
met in school that are from the Netherlands or from Sweden, and in our graduate
programs, are very beneficial for you even if you’re not traveling.

Oregon 5

Again, consolidation. Technology. Medium-sized businesses being the most
impacted by that consolidation. How consumers talk. I mean, kind of things we’ve
already talked about—how consumers, how companies talk to their consumers and
communicate with their consumers. The social media part as far as somebody could love
you but then four people could say they hate you, now everybody hates you. Right?
That’s the challenge. It’s much harder to kind of keep a handle on. And the lack of brand
loyalty. I think those… But then there’s also because of the consolidation it’s really going to open up a ton of small business and that’ll be really exciting to see.

All of the new ideas of those small businesses, large companies aren’t nimble. They’re not. And that’s the thing. I guess the best example I have is if you look at chain restaurants. Right? If Olive Garden wants to change their breadsticks, it’s a whole year’s cycle to get to that point where they launch it to everybody. If Claudfelter’s thinks they need to change the temperature of their fries as far as how they just go like that… Ah! Quality’s better. Right? And so there’s going to be a lot of exciting things I think. The farmer’s markets. I mean there’s just kind of what’s old is new but it’s new in a different way. There’s just… I think this will be great, actually. I think the trends will be exciting.

Taiwan 1

The same as in other countries. The future is in China.

Taiwan 2

Taiwan in the past Taiwan is a very cost effective. But I think in the future they need to be more value-added. In all respects. We need to have more staff that can do innovative things. We need to just like Europe. They didn’t need work so hard, but their things always sell a good price. Yeah. So we need to get out of that box. We need not to just compete on price, but we need to have our strength, our innovation.

Taiwan 3
In Taiwan I think I bring this book. Actually it’s not for in Taiwan. Maybe it’s in worldwide or in other countries. You know the economy is and the entrepreneur is important fields. He mentions the new wellness revolution. The book is ‘The New Wellness Revolution’ and he mention the wellness industry will be the potential industry by 2010 a trillion dollars for that. Yes. You know the aging baby boomer or the people the desire of looking young and fight the aging process. So this is very. Industries related will do well, will be benefit from that. Yeah.

And what everyone recommends is our current environment. I think we also look for job opportunities. Corporate-wise, we provide nutrition, we provide job opportunities, and I think we are in the right position in the world.

And do you know in Taiwan there are semi-conductors, computer goods, some high tech industry is very popular here and some companies will have R&D centers here and export to other countries. In recent years we have new tourism for Taiwan for Chinese tourists to come here. That will be a huge opportunity for Taiwan.

Taiwan 4

2: Service. Service industry.

Taiwan 5

In Taiwan? As I told you we need to move from to for like the high tech, we need to do design but not ODE and OD. And to still bring business we need to find some
value-added products but not the product for currently. I think Taiwan in maybe ten years ago Taiwan is also a manufacturing country. We provided things to the United States like mainland China does right now. And we provided things to mainland China and if we want to survive we need to find a way. And the way we going to some country like Japan or Germany to provide some high quality, good quality products, and the good quality products is a part of management to your company and your mill and your employees. That’s very special part because you will see ‘he’s very easy’ but what you are trying to do is very difficult. See like the meal it comes about 200 people will show up how will you manage that? It’s like Kong pai. Do you know Kong pai? It’s the biggest company in China. Like 80 million people there. It’s very difficult to do. And it’s all we can do in the future.