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## Breathe Pure Chile: Teaching about the Cultural Differences in International Business

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BREATHE PURE CHILE:  
TEACHING ABOUT  
THE CULTURAL DIFFERENCES  
IN INTERNATIONAL BUSINESS

ABSTRACT

In this article we present a brief case study entitled “Breathe Pure Chile” that illustrates some of the cultural issues that come up in international professional settings. The company exports fruits from Chile and uses new technologies to preserve the foods longer. More importantly, this case offers insights into the interaction between North American and Latin American professionals. The story is based on actual interviews that were conducted with employees of the company in Santiago, Chile; however, the names of the people and the company have been modified. In order to analyze the various cultural issues, the contents of the case are reviewed using three different models of business communication: Victor’s LESCANT model; Hofstede’s Cultural Dimensions; and Hampden-Turner and Trompenaars’s Cultural Dilemmas. Finally, this article also looks at analysis and comments that university students have made as they review the content of the case study. The pedagogical implication is that students are better able to analyze and interpret the cultural aspects of a case scenario when they have access to some model or framework to work from.

KEYWORDS: business culture, Latin America, Breathe Pure Chile

INTRODUCTION

One object of this brief article is to review some of the cultural issues that come up when people work in international business settings. An even more focused objective is to discuss how we can effectively teach these cultural issues to those who will find themselves in similar settings. The effects of knowing about these cultural issues are not trivial. In a recent *Wall Street Journal* article, Di Leo notes that Bart van Ark, chief economist at the Conference Board, predicts that in the next decade over one half of all of the world’s economic growth will come from just India and China (Di Leo, 2010). Students and professionals who work in intercultural settings benefit

from an understanding of the cultural issues, making them more effective in the performance of their jobs and in enhancing the working relationships with their colleagues. For instance, we recall an interview a couple of years ago with representatives of a US-based airlines company that lost a multi-million dollar account with a group of Chinese investors. At a dinner hosted by the Americans, with 10–12 Chinese at the dinner and only 3–4 Americans, the Americans suggested that they split the bill 50/50. In the end the Chinese decided that they preferred not to work with a group of people who were too cheap to even pay for dinner. Cultural issues do matter.

We will begin by looking at a vignette case study entitled “Breathe Pure Chile.” It is based on actual interviews that were conducted in Santiago, Chile. The real names of both the company and the individuals have been modified, yet, the events and details represent the actual statements, opinions, and examples that were given as part of the interview. Breathe Pure Chile is a company that exports fruits from Chile and uses new technologies to preserve the foods longer. Breathe Pure Chile offers a good test scenario to present and analyze the intercultural issues that arise when working internationally because this small start-up company began in the United States, and still has its central offices in the US. Breathe Pure Chile is the only branch office that is located outside of the US.

There are a number of details in the vignette case study that offer glimpses into cultural differences. The pedagogical challenge, however, lies in knowing how to help people identify those differences. Often people sense that something is culturally different. Unfortunately, this “sensing” does not mean that they know what they should do about it. It helps to look at the cultural issues through the perspective of a specific framework, model, or theory. In this article we look at the cultural issues that unfold, using three different models of business communication and culture. First, we look at the cultural issues through the concepts of Victor’s LESCANT model (Victor, 1992). Second, we use Hofstede’s Cultural Dimensions (Hofstede, 2001; Hofstede and Hofstede, 2004); and finally, the vantage point of Hampden-Turner and Trompenaars’s Cultural Dilemmas (Hampden-Turner and Trompenaars, 2000, Trompenaars and Hampden-Turner, 1998). While each of the three models provides a different way of looking at cultural issues, together they provide a more complete picture of how we can learn from the interactions that are part of Breathe Pure Chile’s operations. We then look at examples of undergraduate university students’ analysis of the vignette case study. These examples come from executive summaries that students prepared as one of their assignments in a course on business culture. The students had

been learning about the three different models, and we include some of their observations and recommendations.

#### CULTURAL VIGNETTE

Company: Breathe Pure Chile

Country: Chile

Businesses that serve a function in society that is little known by the general population are always interesting. A good example of this is air purification technology that is used in the perishable products industry. We seldom think about the effects of molds and bacteria on the fruits, vegetables, or meats that are transported in cold storage rooms from the processing areas to their final destinations. The cold chain industry works best, in a sense, when nobody is thinking about it.

Of course this implies that somebody has to be thinking about it, such as the employees of Breathe Pure, a clean air technology company. Although a casual description does not do justice to the technical nature of the business, their basic procedure is to create reactive oxygen species (ROS), a process of modifying oxygen molecules, which oxidizes and destroys airborne carbon-based molds and bacteria.

From a business standpoint, Breathe Pure began as an incubator idea by students from the University of California at Berkeley who were studying the potential of various emerging technologies in 2004. Quite by coincidence, as these students were making a presentation of their business and internationalization plan, a visitor was present at the exhibition and decided to acquire the technology and invest in the project. Today Breathe Pure has its global headquarters in Boston, with its Chilean offices in Santiago.

Ernesto Arocha is the company's South America Business Manager of the Cold Chain Solutions division, reporting to the COO at the home offices in Boston. Ernesto has been with the company ever since its inception and he vividly recalls the initial meetings. There was a lot to organize in order to create the infrastructure, including the identification of clients, and the transfer of technology and know-how. They were intense times. The founders knew that they wanted to include Chile in their design. From its reversed growing seasons with respect to the United States to its economic stability, Chile was attractive from the very beginning. Today Ernesto has to keep a "world clock," as he is continually talking to people all over the world in either sales meetings or conference calls. And this is where the cultural side of things is evident. As he puts it, "I have to implement the commercial and operative aspects of the company in Chile and this implies understanding Chilean culture. But I

also communicate this back to the Americans who are part of the company, and that implies understanding North American culture.”

For example, Ernesto often meets with potential clients in Chile, many of whom are wealthy landowners who live in smaller cities outside of Santiago. “They really don’t like phony young executives who wear suits just to impress people with their big city looks,” Ernesto observes. So he is careful to not give the impression that he is somehow better than they are. He purposely changes the way that he dresses when he goes on these visits. The clients live in the *campo* and they really do not like it when you dress like a *gringo*. However, he is also quick to observe that this is not to imply that these people are not professional or not educated. In fact, he has worked with a man who earned his MBA in Florida, and had a PhD. But when he returned to Chile, he preferred to run his business in a more traditional Chilean way. “When I visited him at his *finca* he showed me around for three hours. We were scheduled to meet at 8:00 am, but we really got started around 9:30. Then we toured around the *finca* for three hours.” Ernesto likes the fact that these people do things their way. It does not matter that their education was in the US. They adapt their education and know-how to local situations. Similarly, Ernesto had another appointment where he drove nearly three hours to get to the meeting site. When he arrived, the other person had forgotten about the meeting and nobody was there. However, for Ernesto, “It was no big deal, no problem, he just forgot.” Ernesto realizes that his client was an important man, and in the countryside, things were just a bit more informal. And if they are less formal, Ernesto has learned to be the same way with them as well.

The challenge for Ernesto is to move from that type of scenario to other situations where he works with North Americans, who have their own working style. For example, observing how much Ernesto has learned from his American colleagues’ use of agendas, he says, “They are spectacular! It sounds simple, but at the beginning of a meeting they will write the agenda items on a white board and then they follow all of the points in order, one by one.” He was recently at a meeting where he suggested that a given point be added to the agenda. His American partner did so, but he put it as the fifth and final item on the agenda. Then his American colleague went back to the original four items that were scheduled for the meeting. “After discussing our original four items, we then moved on to address the fifth. It was,” Ernesto quips, “spectacular!” He is also quick to add that if a similar scenario happens among Chileans, the general tendency is that everyone would have started talking about that new point and everyone would have been diverted from their agenda.

As to other adjustments that Ernesto has learned from his American partners, none is greater than their style of negotiating. First of all, he has noticed that Americans even use the word *negotiate* much more than Chileans do. Chileans think of the word *negotiate* as an ugly word, so euphemisms are used to avoid saying it. Americans directly say, “I am negotiating with you” or “We want to negotiate these five points.” Chileans just do not talk like that. Another American characteristic, according to Ernesto, is the American tendency to say, “I want to work with you.” Americans are much more experienced in the concept of collaboration, in understanding one another’s bottom line, or in working toward a win/win situation. “Some Chileans just think that Americans are naïve to be so open about what they are negotiating, but I believe they are just good at putting things on the table. Chileans seem to still negotiate by feeling and there is a reticence to revealing too much too quickly.”

Another area where Ernesto has learned to adjust to North Americans is related to their management styles. He has seen, for example, that Americans want a lot in writing. They like written reports and memos. They love to be informed about everything and so you have to write to them a lot. Ernesto also finds himself spending a lot of time reading what they have written. “Here in Chile, it’s a little different in that if your superior says something, even if it is said informally, you have to do it.” With the Americans, however, casual oral comments are just that: casual oral comments. If not written down, there is much less of an expectation that something has to be followed up on. “I like this because it takes some of the guesswork out of the process,” he adds. In Chile he finds that you are always second-guessing, going with a feeling because things are less specific. In fact, Ernesto believes that Chileans almost take the opposite approach; they do not trust the written word. For example, Chileans sign every page of a contract. “It’s as if people don’t trust others and everyone expects another person to go and change something on a certain page of a contract.” Americans, on the other hand, just sign the final page of a contract. Another adjustment Ernesto had to make in negotiations with Americans is the presence of lawyers. The truth is that many of the American partners in the company are lawyers, so one gets used to having lawyers at negotiating sessions. In Chile there is still a negative association that lawyers mean problems. The attitude is more that of trying to keep away from them as long as possible.

Finally, Ernesto has learned a lot about what he calls “American efficiency.” He has noticed a small example—the different ways that Americans and Chileans consider lunch. “I’ve been in a lot of meetings with North Americans

when they show me a small menu from which we order some sandwiches. Then ten minutes later the food arrives at the office.” Americans like to order out and have their lunch delivered because it helps them keep the rhythm of work flowing. In Chile the tendency is to go to a restaurant, meaning that one has to stop the workflow, spend the extra time in traveling and dining. It just “eats” up all the time before getting back to the office again. It is also one of the reasons why Ernesto thinks that Americans are better at leaving work at the end of the day. “Here in Chile we linger longer, where everything the Americans do allows them to be more effective.”

One gets a positive feeling from Ernesto’s description of work at Breathe Pure. There is an interesting blend of modern technology, a sensitivity to the environment, a mixture of Chilean and American culture, and a pride among the over 40 employees that work there. One final question remains. How do Chileans pronounce the name of the company? “We just use the English pronunciation because here in Chile we associate American products with high quality.” But Ernesto also admits that sometimes people come out with some pretty interesting versions of Spanish sounding things like “bre-a-ta-pu-re.”

#### OBSERVATIONS ABOUT THE VIGNETTE USING THE LESCANT MODEL

The case vignette is interesting because of the cultural issues that come up, even though some of these differences are not specifically overt. We will first look at the case through the concepts of an intercultural model, which provides learners with a foundation for identification and analysis of the cultural issues. Victor’s LESCANT Model is an acronym that stands for the topics that affect intercultural communication: **L**anguage, **E**nvironment, **S**ocial Organization, **C**ontext, **A**uthority, **N**on-Verbal, and **T**ime. Let’s look at a few examples.

In this vignette, the Language category is notable, mainly because of its absence. That is to say, despite the fact that Chile is a Spanish-speaking country, no mention is made of language issues. There is simply an expectation that employees in Chile will also speak English. This was true, in some respects, of all of the 40 employees at Breathe Pure Chile, who have no negative resentment about the requirement to speak English. Quite the opposite, when we interviewed the employees, there was a general sense that English proficiency would open up additional opportunities in the future. They actually sought chances to practice their English.

Although the use of English is not an issue for Ernesto, the use of the word *negotiate* is. North Americans use the word *negotiate* to mean, “do business.” However, for Chileans, the verb *negociar* carries a more weighted connotation

that implies that one party is trying to outdo another. Ernesto reminds us to be aware of these connotations for this word and others. For example, North Americans may think that *discutir* simply means, “to discuss.” However, for Spanish speakers there is a nuance that also implies “to argue.” We see another example in the way that North Americans casually use the verb *to hate* (“I hate little children.”) They do not realize how much stronger that sounds to a Latin American’s ears.

Another language issue in the case vignette is the name of the company itself. Despite the inconvenience of having a company name that is difficult for Chileans to pronounce, Breathe Pure Chile values the prestige of the English-sounding name. In other words, the prestige of the English-sounding name is more important than the ease of pronunciation for the Chilean customers.

The E in the LESCANT acronym stands for environment. Sometimes the physical nature of the environment is a catalyst for cultural differences. In this instance, the geography and location of Chile create some of its strategic advantages. As mentioned, the growing seasons in Chile are reversed from those of the northern hemisphere, a distinct advantage as related to the exportation of fresh fruits and vegetables. In fact, Chile enjoys free trade agreements with over 50 other countries. Chile’s shape is also unique. The west coast of Chile is an inverted mirror, in many ways, to the west coast of North America. In the far south the glaciers of Patagonia are like the northern glaciers of Alaska. The fishing and forests a little farther north of Patagonia mirror the home of the salmon runs in Washington. The wine country of the Maipo Valley, just south of Santiago, correlates to the wine regions of California. The deserts in the northern portions of Chile are similar to the desert regions farther south in Baja California. Chile may have a population of only around 17 million, but it has a coastline that resembles all of North America. One of the physical aspects of business in Chile relates to the city of Santiago itself. Nearly one-third of the country’s population lives in, or around, Santiago. It is hard to imagine one-third of the population of a whole country that lives in one city. Santiago’s modern buildings, organized mass transit, and developed neighborhoods contrast with the smaller, less-developed parts of the country. When Ernesto talks of driving three hours to attend a meeting outside of Santiago, the significance of this statement grows with the understanding of what it means to leave Santiago. Similarly, some of the landowners whom Ernesto visits have made a conscious decision to not live in Santiago, avoiding the traffic and pollution that are typical of the metropolitan area.

The S in LESCANT stands for Social Organization and it relates to how society is put together. Among the ways that a society organizes itself is that



of education. In the case vignette we see that Ernesto met with landowners who were educated in the United States, including those who had earned both an MBA and a PhD. It is significant to note that Ernesto observes that their American education does not automatically imply that they adopt American cultural norms about how they conduct business in Chile. The story exemplifies an interesting blend of how a person who was educated in the United States has the prestige of higher education, but still maintains a Chilean way of putting that education into practice. Parenthetically, there is also a prestige that comes from having studied at one of the top universities in Chile (such as The Universidad de Chile, or PUC Chile). With this prestige comes an impressive networking of connections, including alumni who work in business, politics, and economics.

The final paragraph of the case provides another insight into how social organization appears in Chilean culture. Ernesto takes a lot of pride in the fact that Breathe Pure combines modern technologies with sensitivity to the physical environment. We have seen numerous examples of this in Chile. For example, a number of wineries in Chile make an effort to be sensitive to natural settings as they build their production facilities. We also see evidence of this in the implementation of the earthquake standards that are set for buildings throughout the country. This is mixed with a drive to build more, and more modern, skyscrapers. These buildings have performed well in recent earthquakes. The world observed this same mixture of pride and technology during the rescue efforts of the San Jose miners.

Two pertinent examples of Context (the C of LESCANT) are contained in this story. The first involves Ernesto's experience regarding American use of written communication. Low context cultures, like that of most North Americans, depend a lot on written communication, partly because people store less information as part of the context. As a result, informal oral statements carry less weight. If an oral statement is important enough for specific follow up, then North Americans prefer to put it in writing. On the other hand, Ernesto mentions that Chileans feel more of an obligation to follow up on their boss's oral statements. He actually appreciates the Americans' way because it takes the "guesswork" out of his communication. At that same time, Ernesto recognizes that he does have a lot to read from the North Americans.

The second example of context comes from the section where Ernesto talks of how the employees often have to remain late hours after work. In low context cultures people focus on the task, while people in high context cultures are more likely to focus on relationships. This is why Ernesto was impressed with how Americans often order sandwiches for lunch, which are

then delivered to the office. He notes how much more efficient this is than the Chilean custom of stopping work to go to a restaurant. The Chileans do spend more time interacting with colleagues in less formal settings, but the result is that Ernesto also has to stay later to catch up on the work that did not get completed.

When Ernesto talks of his relationship and interaction with his supervisors, he also demonstrates some of LESCANT's features for Authority, the fifth category of the model. Traditionally bosses in Latin America have more absolute power, as compared to shared power that is typical among North Americans. As a result, Ernesto gives more attention to his Chilean partner's oral comments. The North American emphasis on equality diminishes the absolute power of superiors. Another example of power and authority is seen in Ernesto's perception of lawyers. Ernesto feels, from a Chilean perspective, that lawyers represent a legal power that might pose potential problems. From an American perspective, lawyers help protect legal rights and stipulate the rules that everyone follows. It is a different perception from that of the Chilean concern for problems.

The N in the LESCANT acronym stands for Non-verbal communication and this category includes clothing. Ernesto purposefully modifies the way he dresses whenever he visits the landowners who live in the surrounding countryside. When we conducted the interviews for this case story, all of the employees in the Santiago office dressed with shirts and ties, dresses and leather shoes. There was quite a formal look to the office, which included the elegant decorations and paintings. The office was located in a beautifully renovated home in a nice area of town near Providencia. In Santiago this image is exactly what Breathe Pure was looking for, but not among the landowners in the country. Ernesto was sensitive to the idea that "phony young executives who wear suits just to impress people with their big city looks" risk looking like snobs.

Victor's model looks at time from either a monochromic or polychromic perspective. In some cultures people tend to divide time into specific tasks and functions, while others perform multiple task at the same time. Ernesto confronts this distinction when he visits the farmlands outside of Santiago. One example is the meeting scheduled to begin at 8:00 am that did not actually start until 9:30 am. And even then the meeting began with a tour of the *finca*. It is not that the landowners had no respect for time, but simply that the tour was integrated into the business conversation of the meeting. It is not actually fair to say that the meeting did not start on time, because the whole event merged several activities into one.

In summary, a knowledge of the LESCANT model provides an infrastructure to be able to understand better the cultural issues that came up in the case. Without such a model, it would be difficult for a learner to identify, much less appreciate, the context of the cultural differences.

#### OBSERVATIONS ABOUT THE VIGNETTE

##### USING HOFSTEDÉ'S CULTURAL DIMENSIONS MODEL

Hofstede's Cultural Dimensions of National Cultures have been used for nearly 45 years, ever since the initial research at IBM in 1965. The strength of the data over time is impressive. Some of the items that were previously mentioned under Victor's LESCANT model could be reassessed using the dimensions of national cultures. Other examples uniquely fit under Hofstede's model. We begin with a look at examples of Individualism/Collectivism.

Chile's low index for Individualism is 23, like most Latin American countries. This is dwarfed by the highly individualist index of 91 for the United States. In the case study we read the statement that it was "quite by coincidence" that as the students were presenting a business and internationalization plan, a visitor who was present at the exhibition seized the opportunity to invest in the project. This appears to be a good example of the individualistic involvement in a project, something that is so characteristic of a culture like that of the United States. By comparison, Ernesto strives to be constantly communicating with people from all over the world. He truly sees himself as the person who can bridge communication between his Chilean colleagues and the home office in Boston, by working toward obtaining a cohesive group.

When looking at Hofstede's Power Distance Index (PDI), it is also not a coincidence that the idea for Breathe Pure has its roots in a student presentation. This is a perfect example of a low Power Distance culture, such as we find in the United States (PDI=40), where it does not matter if the idea comes from a high level authoritative person or from inexperienced students. A good idea is simply a good idea. Chile's PDI is moderately high (63) and we see the effect of this in Ernesto's comments about how much Chileans need to be aware of everything that a boss says, even the casual oral comments. In Chile, where traditionally there is a greater distance between bosses and subordinates, everything that a boss says is understood to be instructions that need to be followed. Ernesto's experience, however, is that North American bosses can casually exchange ideas with subordinates, and these oral exchanges are not interpreted as specific follow-up items. The subordinates need to follow up only on the items that the bosses specifically write down. We see another

example of PDI when Ernesto comments how Americans make statements like “I want to work with you” or “I want to negotiate with you.” Both statements show an attitude of equality, which also implies that the Americans reveal more about their own “bottom lines.” As Ernesto observes, the Chileans are more reticent about revealing too much.

Chile’s score for Hofstede’s Uncertainty Avoidance index is 86, a very high score. This is indicative of a culture that has low tolerance for uncertainty, and as a result adopts stricter rules, laws, and regulations. Decades ago, Chile blended the unique combination of a dictator’s rule with a mandate to follow an open market. A generation later we see how this has resulted in a cautious, but fiscally responsible approach to the country’s economy. As such, you can see why Ernesto admired the Americans “spectacular” ability to follow agendas during meetings. His example of a new item added to an agenda, but placed at the end of the list, showed Ernesto both the flexibility of being able to add new items for discussion, but also the focus of taking care of the scheduled items first. Another excellent example of uncertainty avoidance behavior is seen in Ernesto’s observation that Chileans sign every page of a contract, while the Americans just sign the last page of the document. Chileans simply do not trust people to not change the wording of some internal component of the contract.

Hofstede’s Masculinity index for Chile is a low-range 28, while that of the United States is a high-range 62. Low Masculinity index scores often correlate to cultures that use intuition more than decisive analysis. This is exactly the way that Ernesto worded his observations about negotiations between Chileans and North Americans, saying that Chileans “still negotiate by feeling.” In fact, he goes so far as to say that Chileans think of the North Americans as “naïve” because they reveal so much of what they are negotiating about. No doubt, from an American perspective, what is naïve is the idea of negotiating by “feeling” more than by analyzing data.

Once again, Hofstede’s model provides learners with a context to understand and analyze the cultural issues that occur at Breathe Pure. While we do not intend to promote any one model of intercultural communication over another, we present them as pedagogical tools to better understand the case scenarios.

#### OBSERVATIONS ABOUT THE VIGNETTE

#### USING THE HAMPDEN-TURNER AND TROMPENAARS DILEMMA MODEL

Hampden-Turner and Trompenaars (HT&T) examine the behavior that we often have to choose between two viable options, each with positive

characteristics and negative consequences. For example, considering the Universalism–Particularism dilemma, there are times when the standardization of rules and products results in greater efficiency. However, at other times individualized changes to the norm result in unique or specialized products. In the vignette, Ernesto enjoys not having to guess what the American bosses want. The oral conversations are simply informal chats, and if there is a specific follow-up to be performed, the American bosses will put those instructions in writing. This is a good example of the efficiency of universalism. At the same time, Ernesto also sees the value in the landowners' ability to modify their work based on the unique aspects of working outside of Santiago. They simply maximize the advantages of particularism. We also see the reconciliation of universalism and particularism in the way that Ernesto interacts with lawyers. From the American perspective, many of the company's founders are also lawyers; they use standard legal procedures to help the company be more efficient. At the same time, Ernesto understands the Chilean reticence to be limited by legal manipulations from lawyers. The whole basis behind the Hampden–Turner and Trompenaars approach is to reconcile the dilemmas by taking advantage of the positive aspects of each side. It appears that Ernesto has been successful in his attempts at being flexible, by accepting the best of both worlds.

Hampden–Turner and Trompenaars's second dilemma focuses on Individualism and Communitarianism. In many ways the same observations that were made while observing Hofstede's Individualism dimension also apply here. The difference is seen not so much in identifying Americans as individualistic and Chileans as more community oriented, but using the dilemma theory, the important part is found in reconciling these differences. Ernesto again seems to have reconciled American and Chilean differences well. For example, his comments about being on a world clock, and knowing how and when to talk to the Americans versus the Chileans shows this flexibility. As for communitarianism, Ernesto fully realizes that it may be "less efficient" to have to linger longer at the end of the work day, but he also knows that everyone works together to finish things, even at the sacrifice of individual rights.

The third dilemma, involving being specific or being diffuse, centers on the idea that at times we focus on being analytical, object-focused, and mechanical (specific) and at other times we look at the overall balance in a general sense (diffuse). In the case of Breathe Pure, the mere fact that the company was started by trying to determine how to destroy airborne molds and bacteria to aid in the transport of fresh fruits is already a specific sort of endeavor. The idea that we can control nature and create a procedure to modify it exempli-

fies the positive side of specific cultures. Additionally, the decision to open a branch of the company in Chile, with its opposite growing season, is another example of a specific analysis. In the initial phase of the company, Breathe Pure organized the infrastructure and then worked to transfer the technology and know-how to Chile. An example of Ernesto's specific analysis occurs when he notes the way that Americans openly use the word *negotiate*. It is not hard to surmise that most Chileans have not realized the subtleties of the English language, leaving them thinking that Americans are just "naïve" in their conversation.

The Achieved–Ascribed dilemma of Hampden-Turner and Trompenaars is exemplified in this case by Ernesto's observation about the education of the landowners in the country. Achieved cultures value the efforts of the individual whose success comes from individual efforts. Ascribed cultures, on the other hand, impose obligations on those who are born with certain privileges or advantages. It is especially revealing in this vignette to learn that one of the landowners whom Ernesto visited had received an MBA and a PhD at the University of Florida. However, it was not the degrees that set the landowner apart, it was more his loyalty to local customs and traditions in the way he ran the company. In an achieved-oriented culture like the United States, those academic credentials would have been part of a mark of success. However, Ernesto's vantage point was that these landowners were "important men" and because of that he understood their changes in schedules, the way they dressed, and the way that they conducted meetings. He had given them ascribed status. The vignette also hints at another example of the achieved value from the American perspective. The initial ideas for the company came from a group of students from the University of California at Berkeley. It really was not important who created the idea, even if it came from a group of students.

The next dilemma in the Hampden-Turner and Trompenaars model deals with whether people have an inner or outer direction. Those with an inner direction believe that they are the master of their own fate, opportunities, and destiny. Those with an outer direction believe that nature takes its course, and we conform to that. This could be seen in the case study of Breathe Pure when Ernesto observed that Chileans do not trust in written word. For example, Ernesto says that in Chile each page of a contract is signed. It is a good example of where people take charge of a situation, verifying that things are not going to be left to chance.

Finally, the dilemma related to sequential versus synchronous time is seen in specific examples in the case study. Ernesto speaks of keeping a world clock,

and a large part of his job focuses on the coordination of all of his activities with people from around the world. It is indeed difficult to keep track of the 40 employees in Santiago, the people in the home office in the US, and the appointments with the landowners throughout Chile. The “world clock” really becomes a sequential “world calendar.” At the same time we see specific examples of synchronous time when Ernesto talks of his appreciation for the “rhythm of life” of the landowners whom he visits. He was sensitive to their status, age, experience, and location. Ernesto even goes so far as to say that “important men” simply do not allow the clock to dominate what they do or at what pace. As part of the reconciliation of time, and again focusing on “rhythm,” Ernesto also admires the way that the Americans ordered out for lunch, and the efficiency of having the sandwiches delivered to the office. It simply “helps keep the rhythm of the work flowing.”

The application of each of these three models resulted in a different perspective in being able to interpret the cultural issues that were present in the case. Our object is not to provide a detailed description of these models. Instead, we see that in order to appreciate the cultural issues present in the case, some model had to be used as a starting point.

#### OBSERVATIONS FROM THE STUDENTS WHO ANALYZED BREATHE PURE CHILE

During the fall semester of 2010, I taught 22 undergraduate students in a course that was designed to teach about the cultural aspects of doing business in Latin America and in the Spanish-speaking world. During the semester, the three models of business communication were also presented to the students. One of the assignments during the semester was to write an executive summary about the Breathe Pure Chile case scenario. In the written comments, 14 of the students included specific references to at least one of the models of business communication. The students were able to incorporate the concepts of the models into their analysis of the cultural issues. This first example comes from a student who focused on the American desire to be efficient, including their use of time.

Ever since the invention of the assembly line, Americans have emphasized the importance of efficiency. This is evident all the way down to the fact that they see going out to eat as a waste of time and they order in for lunch because it’s “more efficient.” This shows the seriousness to which some Americans take efficiency and the value of time. Another example of this is the meeting agenda that Ernesto talked about. Americans establish an agenda and stick to it because it is the way to use their time efficiently. This idea

of an agenda also overlaps with another concept by HT&T of cyclical vs. clock time. It is obvious that Americans run on a schedule by the clock and as such have a set way and time devoted to what they need to do.

This quote illustrates well how the student used Hampden-Turner and Trompenaars's time dilemma to provide the background and context for her observations about the American efforts to be efficient with time. She does not simply observe that Americans value efficiency, but she makes this observation within the context of cyclical versus clock time. The models have given her a tool to use in her assessment of what is happening culturally.

The second example shows how another student used the concepts of high and low context cultures in her analysis of the case scenario.

It is clear that Arocha faces different business practices that are influenced by the cultural differences that exist in North America and Chile. North Americans come from a low context culture and value the explicit word, which is evident in the direct style of negotiating. This is also clear, as Arocha points out, in the North American preference to have things in writing. Chile, however, is a high context culture and executives prefer to build a relationship before "revealing too much too quickly." Orientation to time is another big cultural difference. The North American culture is of sequential temporal orientation, and they write agendas that allow them to follow all of their objectives in order, one by one. Chileans, on the other hand, are a synchronous and polychromic culture, so they tend to multitask and take time to go to restaurants during the middle of the workday.

This student has not only learned about high and low context cultures, but she has also learned their characteristics. Specifically she notes the importance of explicit communication and written words that characterize the low context cultures. She does the same when talking about the importance of following an agenda. She views these happenings within the context of an American preference toward a sequential temporal orientation. Again we see how the models have given her the tools to analyze what was going on culturally.

In a third example from student comments, we see a direct association between the LESCANT model and the student's analysis of the situation

We see conflicts related to the "N" in the LESCANT model. Ernesto makes a comment that directly relates to the non-verbal aspects of a culture, namely that of appearance and dress. Ernesto says that he intentionally uses different clothing when he is with the Chilean landowners so that they don't think of him as a "phony young executive."



This third example illustrates how the models of business communication help to expand a person's analysis and understanding. This student did not just talk about wearing different clothing, but he talked about it within a broader context of non-verbal communication. This is precisely the advantage of having a model to draw from.

## CONCLUSIONS

We began by stating that cultural issues really do matter. Often the success of international business is tied to cultural issues just as much as it is to accounting, marketing, and operations. We also noted that one of our objectives was to review some of the cultural issues that arise in international business. The case vignette *Breathe Pure Chile* provides good background information and examples to illustrate those issues. The case relates real-life examples in the daily interactions between Chileans and North Americans. Ernesto Arocha works in an ideal setting to be exposed to both the American and the Chilean ways of doing things.

Another objective is to illustrate that the cultural issues in international business are understood better when people have a model or framework to work from. We demonstrated how three models, Victor's *LESCANT* model, Hofstede's *Dimensions* model, and Hampden-Turner and Trompenaars's *Dilemma* model, all serve to see cultural issues within a broader context. And we looked specifically at the *Breathe Pure Chile* scenario from the vantage point of these three models. Although we have looked specifically at these three models, we do so without giving preference to any one. In fact, other models could also serve as the foundation for the analysis of culture, such as Andrews and Andrews, 2004; Davenport and Prusak, 2000; Kelm and Risner, 2007; Lewis, 2006; Sapp, 2004; Storti, 1994.

Our final objective is to show examples where students use these models to analyze culture with the case study *Breathe Pure Chile*. Both the models and the case study serve pedagogical as well as analytical purposes.

Multinational corporations continually face decisions about how to balance standard practices, independent of local traditions and local applications. An understanding of culture helps us to do just that. In conclusion we look at one of the students' executive summaries. "My recommendation is to do exactly what Ernesto advocates, which seems to work so well for him. That is, adapt to local business customs in a way that will most greatly facilitate your business dealings, but maintain an open mindset that will allow for the identification and adoption of admirable traits from other business cultures." We totally agree.

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