

## China's mind-altering business culture

Western business executives who are successful in China have adapted to local culture, and by doing so changed the way their brains work, according to Nandani Lynton and Kirsten Høgh Thøgersen, two China-based professors. In a research paper based on interviews with business leaders, most of them heads of China or Asia operations for major European and American companies, Lynton and Thøgersen identify the impact of Eastern thought on the Western executive's mind.

Seen through the eyes of a modern Chinese executive, a typical Western businessman is an antique. The Westerner's manner of linear analysis and individualism may be perceived with polite curiosity, but what does the Chinese executive really think?

In *The Art of War*, Sun Tzu advises: "One cannot enter into alliances without knowing the designs of one's neighbors." Yet most Westerners do not know how to prepare for working with Chinese. The usual solution is a cross-cultural workshop that compares and teaches specific behaviors. Studying expatriate executives who are highly effective in the Chinese environment shows that they have been receptive to learning from Chinese patterns and now think and behave differently than they did before.

Research generally shows that, in addition to good business skills, global executives need the intellect to deal with high complexity, the emotional resilience to deal with strange and perhaps unsettling situations, the personal strength to endure the ups and downs of a risky career and lifestyle, and the motivation and ability to learn from experience. China-based expatriates need these attributes, but to be extraordinarily effective they also apparently need something more.

The executives interviewed have all learned essential lessons from the way many Chinese people think, and they have developed techniques to incorporate this into their own approaches: they just "go"; they switch between thinking modes; they do not discuss emotions but attend to people; they strengthen their attention and concentration; and they are connected beyond themselves. Together these practices reflect a different mindset; a new way of approaching the world using both the right and left sides of the brain more fully, paying attention to intuition and soft patterns, picking up on situational details and relating to the whole.

### A game of 'Go'

The first practice of effective executives in China is to develop the skill of intuitive strategy. In the ancient Eastern game of Go, the rules are simple in outline but complex in execution. Winning is all about gaining territory; the player must strike a balance between speed and security as he moves his pieces around the board. While chess predominantly trains analytical thinking in anticipating the next move and the consequences many steps ahead, the Go player trains his ability to act out of awareness. There is no time for thinking in the game, and when skilled, the player is a master

in intuiting strategy. Business in China is like playing Go. "You watch them do business and they are masters at this game. They confuse even the most sophisticated strategist," said James McGregor, author and businessman.

Effective executives learn to recognize and use both strategies. When things get difficult, they do not approach issues in their habitual linear way, but instead leapfrog problems and just "go." "Instead of my usual problem-focused 'get to the point' kind of attitude, which turned out to be so unproductive, I have learned to step away from disagreements and go ahead and trust my intuition. It's a completely different way of working and it took me years to learn," says a business owner.

The China president of BHP Billiton, Clinton Dines, describes himself as "a contextual problem solver. There is the problem, in the middle, and I just pussy foot all around it, checking the context and understanding where it sits before I go in to actually solve the problem. That's the Chinese way and I use it."

### New thinking modes

The second practice of effective executives in China is learning to switch modes between linear analytical thought and intuitive holistic thought. "Some time ago I was on a project with a Chinese team, who drew maps of influence, maps of personal and family and business relationships, then stood back and thought about things that could happen. And they saw the impact move from one map to another. They are masters; they showed me how to see the big picture. Although I now know the maps were not even so sophisticated, I can feel the many more hidden layers that come into play, of people, of interests, of long-laid plans...and I have learned to play the existing forces," says Joerg Wuttke of BASF China.

Many studies show that Easterners focus on context and relationships, Westerners on individual details and abstract categories. Switching modes of thought makes effective executives skillful problem solvers. They pay close attention to particular circumstances when resolving conflict. They postpone judgment and are concrete and practical in a typical Eastern way in some situations, while they use abstract speculation and linear analysis at

other times. The effective executive learns to listen to his intuition. To do this, he pays less attention to his habitual understanding (linear left brain) and focuses on his other understanding (holistic right brain). Unfortunately, when we use one form of thinking, the other seems like nonsense. "The most difficult part really is to not think the way one usually thinks," says Roberta Lipson, an early China investor and co-founder of CHINDEX.

### Social recognition

The third practice for executives is to leave emotions unspoken while paying close attention to people. In China, things are practical. Like minor aches and pains, emotions are best ignored; however social recognition must be upheld. "In negotiations I



use feelings just to watch and see. Actually there are no feelings in business, just reactions,” says a top Chinese executive. Being a responsible person who is part of a trusted circle, and being available to people, is the basis for much of Chinese social status within a group or organization. This is difficult for busy executives unless they can value the importance of in-group status.

Attending to the personal level is easy to strive for and hard to do. To become a trusted business partner or member of tight circles, executives learn to understand that actions are significant in themselves; that bringing a small gift or letting an older person enter a doorway first shows respect and appreciation. These small signs are visible to others and therefore important; the emotions behind them remain unspoken.

## Concentration and intuition

The fourth practice of effective executives is achieving a high enough level of attention and concentration to switch between linear analytical and intuitive thought. In situations where one has to really understand and operate within different thinking modes, the ability to focus in the moment is essential. “Get into the situation, forget about yourself and go ahead and do the work; its all about mindset,” advises David Wang, China head of General Electric Co. and then of Boeing.

To get things done quickly, effective Western executives learn to use right-brain performance and intuition to stay hyper-focused on high-priority tasks. Right-brain functioning gives leverage to an extraordinary energy that draws the executive’s full attention to the task, regardless of distractions. “When the intuition is at work, you know what you do and you reach your goals sort of painlessly and elegantly,” says Peter Feldinger of Novo Group.

## A sense of connection

The fifth practice of effective executives in China is developing a sense of purpose based on being connected to something larger than themselves. “I am inspired by the sense that China’s time is coming and the Chinese unity of purpose. This is tied to their

strong sense of community,” says Hans-Michael Jebsen of the Jebsen Co. Adam Williams, chief representative of Jardine’s and a best-selling author, jokes about his “increased tolerance of the supernatural and unexplained: you cannot live here long without falling over feng shui men and Buddhist monks curing disease and seeing extraordinary things and people. You learn to see the magic.”

Connected executives see their privileged positions as bringing social responsibility. “In my position I can use power, not for the pleasure of power but to realize things for others,” says Jean-Claude Germain, head of PSA Peugeot Citroen in China. This perspective also breeds humility and tolerance. “You learn not to dominate, to postpone conclusions, to withhold opinions, to be patient. Everything else is unproductive for business; humility is a necessary working tool for China,” adds Williams.

The leaders interviewed know that high concentration and top performance cannot be sustained endlessly. Many mentioned the pattern, referring to the ebb and flow of energy, and reporting: “If you are on a high for some days, you will be on a low soon after.” Less-reflective executives can be caught in the downturn, leading to depression and even addiction. Becoming aware of oneself in a larger context takes the skill of meta-cognition, learned through practices that encourage attention to detail and time for reflection.

The executives seek ways of contributing to society, which also helps them remain in touch with their feelings in a hard-nosed business world. Westerners flock to Rotary Clubs, other charities and environmental organizations to contribute to China while the Chinese build schools in their ancestral villages. We feel we must give back – and that makes us feel right. And when we feel right, we are effective. By going beyond themselves, the executives we interviewed find purpose, nourish themselves, and renew.

*This is an excerpt of an article that originally appeared in the journal Organizational Dynamics ([www.organizational-dynamics.com](http://www.organizational-dynamics.com)). Reprinted with permission.*

## Hiring for China

Good selection for positions in China must be built around research on who is able to successfully adapt to new places, who has the makings of a global mindset and who has cultural intelligence. Executives who are highly effective in China demonstrate certain patterns:

- They are at least bilingual, and 75 percent speak Chinese; 80 percent of the interviewees speak three or more languages fluently.
- They are highly resilient, positive and curious.
- They welcome new experiences; most actively sought opportunities to go overseas or grew up assuming they would move between countries.
- They have strong family and community ties; 90 percent interviewed have marriages over 10 years’ duration, and all participate in social and charitable organizations or contribute time and knowledge individually despite demanding jobs.
- They are explicit about the importance of activities that give their minds free range, including reflection, reading non-business materials, or focusing on music.

These traits form a whole. Speaking multiple languages testifies

to intellectual ability and increased cognitive complexity; resilience and curiosity indicate cultural intelligence; family and community ties suggest emotional stability and the ability to feel connected; the skills honed in what is usually termed “hobbies” keep the right and left sides of the brain communicating closely. All these are muscles needed for growing additional specific skills for China.

Designing a program to develop the China skills discussed here is difficult, but there are some quick starting points for corporations and individuals. Most basic is encouraging practices that develop the ability to feel intuition, to use the right brain together with the left, to teach reflection and concentration and paying attention. Companies can encourage this by providing resources online, access to testing and feedback through coaching.

Organizations can encourage reflection by accepting that executives set aside regular time that is not interrupted. Individuals can develop rituals that focus attention on the present moment or engage in activities that demand concentration, like playing golf or squash or playing a musical instrument.