



**UTHM**

Universiti Tun Hussein Onn Malaysia

**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER II  
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COURSE NAME : TECHNOLOGY & CULTURE  
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DURATION : 2 HOURS  
INSTRUCTION : ANSWER ALL QUESTIONS

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THIS QUESTION PAPER CONSISTS OF FIVE (5) PAGES

- Q1 (a) Browaey & Price (2015) argue that “culture and strategy are inextricably connected”.

Explain your understanding of this statement.

(2 marks)

- (b) Discuss **TWO (2)** models that can be used to explain the behaviors, values and assumptions of managers from different countries in the strategic planning process.

(10 marks)

- (c) Zhejiang Geely Holdings Group, a Chinese automotive company, has acquired 49.9% equity of Malaysia’s national carmaker, Proton Holdings, from DRB-Hicom in June 2017. Through the acquisition, Proton will be able to benefit from Geely’s capital injection as well as new technology to help revive the struggling company. To facilitate the turnaround process, Geely will also take the leadership position in management of production, manufacturing, and operations including sales and marketing of Proton.

A merger between two national companies, Proton and Geely, can lead to a culture shock when two teams have to work together.

- (i) Define culture shock.

(1 mark)

- (ii) Explain **THREE (3)** levels of culture shock that Proton and Geely employees may experience in cross-cultural adaptation, with illustration.

(12 marks)

- Q2 Facebook, which was initially launched as a social network for Harvard University students in February 2004, now has 2.2 billion active users. The company is currently embroiled in a data breach scandal as a result of the release of Cambridge Analytica files to the Guardian by a whistleblower. Cambridge Analytica, which disguised its activities as academic research, harvested personal data from 87 million profiles that were used to target and manipulate individual users. This has adverse impact on privacy and democracy, as well as exposed the lack of regulatory control on the internet’s largest companies, including Google. These companies used a business model known as surveillance capitalism that feeds on users’ data. At the heart of this mess, lie the issues that illustrate the interrelationship between corporate strategy, technology and culture.

Naughton (2018) details Facebook rise from its initial development. “Facebook is a closed private platform that was constructed on a public platform – the World Wide Web – which in turn was built on the open internet, a public facility paid by taxpayers. And although it was not the first social networking application, it was more astutely designed and robust than incumbents such as MySpace and it eventually wiped them out. As it grew, the network effect kicked in. So in the social-networking market it became the winner that took all.

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In the beginning, Facebook didn't really have a business model. But because providing free services costs money, it urgently needed one. This necessity became the mother of invention: although in the beginning Zuckerberg despised advertising, in the end he faced up to sordid reality and Facebook became an advertising company. Given that its users were generously providing all kinds of information about themselves (likes, schools, jobs etc.) it was easy to assemble a detailed profile of each one. And this information could be used to enable paying customers (called advertisers) to aim commercial messages at them.

In this way, Facebook became surveillance capitalist – deriving revenues from surveilling its users. And the more time they spent on the site, the more “monetisable” data they generated. Zuckerberg's programmers built a remarkable automated system to assist advertisers in choosing particular audiences and refining their messages. Perhaps the most astonishing aspect of all this is that Zuckerberg and his colleagues didn't understand that their automated system could also be used by politically motivated customers to direct political or ideological messages at Facebook users.

“We didn't focus enough on preventing abuse and thinking through how people could use these tools to do harm as well,” Zuckerberg finally conceded last week. “We didn't take a broad enough view of what our responsibility is, and that was a huge mistake. It was my mistake.” But, hey, “life is about learning from the mistakes and figuring out what you need to do to move forward”.”

There have been at least 11 previous scandals involving Facebook. As Pratley (2018) wrote in the Guardian's editorial, “This breezy I-promise-to-do-better mantra would be understandable if offered by a schoolchild who had fluffed an exam. But Zuckerberg is running the world's eighth largest company and \$50bn has just been removed from its stock market value in a scandal that, aside from raising deep questions about personal privacy and social media's influence on democracy, may provoke a regulatory backlash.”

Based on the articles, it is clear that Facebook is undergoing a crisis that requires changes to its management and corporate culture. Culture plays an important role in determining the way members of organizations perceive internal and external developments, and the strategies used to respond to the developments. Facebook, in particular, is in a stage where it has to deal with cultural issues that influence its growth and its ability to deal with the crisis. Based on your understanding of the articles:

- (a) Identify the company stage of growth that Facebook is currently in. (1 mark)
- (b) Explain **THREE (3)** characteristics of growth stage in **Q2(a)**. (6 marks)
- (c) Explain **THREE (3)** cultural issues that Facebook has to address in stage **Q2(a)**. (6 marks)
- (d) Recommend **THREE (3)** mechanisms that Facebook could use to initiate cultural change that are suitable for the stage **Q2(a)**, with justification for your recommendations. (12 marks)

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- Q3** (a) The issue of adapting products and marketing strategies to suit the needs and wishes of the consumer is central to intercultural marketing.

Differentiate **TWO (2)** elements involved in the process of cultural identification that companies must consider in developing their international marketing strategy.

(6 marks)

- (b) Ring is a global home security company owned by Amazon. The company is planning to introduce its newest product to the Malaysian market, called Ring Video Doorbell 2. It is essentially a big battery-powered doorbell with a camera on the top of it, which video calls your phone or tablet when someone presses the button. It means you can answer the door from pretty much anywhere you have a phone and an internet connection.

Imagine that you are a marketing manager of the Ring, who is tasked to conduct a cross-border market research before the product can be introduced.

- (i) Explain **FIVE (5)** cultural problems that you must consider when conducting the cross-border market research in Malaysia.

(15 marks)

- (ii) When promoting the brand and the product, you must ensure that the “intended meaning” of the brand coincides with the “perceived meaning” of the message.

Recommend **ONE (1)** marketing strategy that is most suitable to be used by your company to promote the Ring Video Doorbell 2 to consumers who come from different cultures.

(4 marks)

- Q4** (a) When working with culturally diverse workforce, managers must take into account the values and associated norms inherent in the cultures involved, particularly when it comes to ethical issues. Jackson (2011) argues that managers must not only focus on what differences there are, but also attempt to discover why the ethicality of culture may differ from their own.

- (i) List **THREE (3)** questions that international managers need to consider when deciding on the implementation of a particular business practice.

(3 marks)

- (ii) Explain **THREE (3)** broad areas in which the questions in **Q4(a)(i)** relate to.

(9 marks)

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- (b) The following is an article on business communication in Japanese culture written by Wurburton (2017).

“Of all the aspects of dealing with the Japanese, the ones which probably cause the biggest dilemmas concern communication difficulties. Japanese communications are epitomized by subtlety and nuance, where how one appears and what one publicly states (*tatemae*) and what one really thinks (*honme*) are often poles apart. There is often a huge distance between the expressed *tatemae* and the felt *honme* — they can often even be contradictory.

The development of relationships in Japan is often dependent on people’s ability to read the underlying truth which may underpin the spoken rhetoric. It can, of course, be very difficult for the non-Japanese to navigate these very confusing paradoxes. It is probably best to say that everything should be questioned in order to ensure that clear understanding has been achieved. Check back several times for clarification of anything that remains unclear.

Communication difficulties are further compounded by the fact that few foreigners speak good Japanese and that levels of English in Japan are at best very patchy. Much of what is said by English speaking businessmen in cross-national meetings is simply not understood – or more worryingly misunderstood. The need for the clear and precise use of language is never greater than in such situations. The combination of Japanese vagueness and lack of comprehension leads to enormous problems which make problem-solving and decision-making very tortuous.

In times of stress or difficulty during a meeting, the Japanese will often resort to silence in order to release the tension in the room and allow people to move away from the area of difficulty (to preserve the harmony or *wa* which is tantamount). Unfortunately many westerners are extremely uncomfortable with silence in meetings and feel the need to fill the silence with more discussion over the issue the Japanese would rather avoid.

In addition, Japanese body language is very minimal, making it difficult for the untrained observer to read. The Japanese seem to be very still in meetings, sitting in a formal upright posture. It is rare for any reaction or emotion to be visible.”

Imagine that you are a project manager at a Malaysian company who is working with a Japanese company in a new product launch project. Based on the article above:

Explain **THREE (3)** elements in communication process that can influence the way you communicate with your Japanese partners using the model of communication, with illustration.

(13 marks)

**-END OF QUESTIONS-**

