

Understanding Personality and Culture Key to Success in Chinese Markets

***Sara Kempin Reports on Eileen Broer's Presentation at the
Conference of the Association For Psychological Type
In North Carolina in August, 2000***

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As the sun rises over Asia and then moves across Europe to the United States, it reveals a new day in trade relations with China and tremendous opportunities for businesses that prepare themselves to deal in this culture. You must understand your Chinese counterparts -- how they make business decisions and how they relate to one another and to foreigners.

Eileen Broer, president of The Human Dimension, presented her findings on this topic at the recent Southeast Regional conference of the Association for Psychological Type in Raleigh, North Carolina.

"One of the fundamental things for business people to understand about Chinese managers is their perception of contracts," said Eileen Broer, president of The Human Dimension, and author of an award-winning study on personality types of Mainland Chinese business managers and professionals. "Building a trusting relationship is the first step to working with a Chinese partner; however, this trust can be quickly eroded in an American's mind when the Chinese partner finds it necessary to 'break' a contract," continued Broer.

Westerners painstakingly structure contracts to include as many contingencies as possible, and then proceed as though the contract is set in cement. In China, a contract is more often the agreement to have an on-going working relationship. To the Chinese, a contract is always a work in progress. It represents the general tone of the agreement, but it can be adapted in necessary and realistic ways as circumstances change. Chinese folklore is full of stories about foreigners going crazy trying to settle all contingencies of a working contract before signing the agreement.

"I learned this the hard way," says Broer, "when a training contract I had with a Chinese company fell through only two weeks before we were to complete it. We had to break our contracts with our sub-contractors at our own expense when the clients of the Chinese Joint Venture had to cancel because of budget cuts. We now have similarly constructed "open" contracts with sub-contractors when we deal with Chinese enterprises. The happy ending of the story is that we did finally present the program, it was very successful, and we got more work because of it."

Broer's research into the personality types of Chinese managers and executives

is also instructive. Her work was named Best Application of Psychological Type in 1999 by the *Journal of Psychological Type*. In her research, Broer administered the Myers-Briggs Personality Type Indicator® (MBTI®) to 224 Mainland Chinese nationals who held managerial and professional positions in a Chinese Joint Venture and several State-Owned enterprises.

Using Myers-Briggs® personality type terms, her study revealed Chinese managers and professionals to prefer *Sensing, Thinking and Judging* significantly more than their American counterparts. Americans as a whole also favor *Sensing, Thinking and Judging*, but to a lesser degree. Based on this data, one would expect the Chinese to be *more* logical and objective, *more* detail oriented and *less* likely to change their decisions than their American counterparts.

Businesspeople may find this to be true at the individual level, or when working person-to-person in China. However, they would be mistaken if they drew conclusions and based their behavioral choices on that data without taking into account the Chinese culture. “You must take into account the influence of the Chinese society and culture,” says Broer. Chinese society is more relationship-oriented (subjective) and the Chinese are more used to adapting readily to change (*going with the flow*) than their personality types would predict.

“To avoid misunderstandings and to accelerate the process of coming to agreement when negotiating with the Chinese, is very important to get advice from someone who has gone through the process successfully,” Broer said.

Broer is continuing her work helping American businesses develop relationships with their Chinese counterparts. She is president of The Human Dimension, a firm of organization development consultants, trainers and facilitators. She has more than thirty years of experience, and maintains offices in the United States, Mainland China and Hong Kong. Their web site is www.humandimension.org.