1. What is the difference between Task-based and relationship based? Explain Erin Meyer’s scale. S171
   1. In task-based cultures “trust is built trough business-related activities. Work relationships are built and dropped easily, based on the practicality of the situation. You do good work consistently, you are reliable, I enjoy working with you, I trust you.”

Therefore, in task-based countries people in a business environment tend to build up a relationship based on “cognitive trust”. The fact that you trust someone depends on the “persons accomplishments, skills and reliability”. Therefore one tries to keep a business relationship on a more factual basis and distance.

* 1. In relationship-based cultures “trust is built trough sharing meals, evening drinks, and visits at the coffee machine. Work relationships build up slowly over the long term. I´ve seen who you are at the deep level. I´ve shared personal time with you, I know others well who trust you, I trust you.”

People in relationship-based countries rely more on affective trust, when making business decisions. It is arising trough emotional closeness, empathy and friendship and is built trough time spent together on a personal level. “Business relationships are personal relationships.”

* 1. Therefore, the two ends of the scale have fundamentally different methods of building trust. In task-based cultures trust is built through accomplishments and the knowledge of the other one’s skills. Relationship-based countries build trust trough creating personal ties.

1. In the first part of the chapter, Meyer tells us two stories. One about the Gerdau merger and the Nestle venture. From these case studies, explain how trust can be built from each side of the spectrum. What is the difference between trust in the US and China? Explain *Guanxi* and its advantages and disadvantages.S163-170
   1. One example of this scale in action is the example by Erin Meyer of the Gerdau merger. The Brazil based company acquired an American enterprise. The first round of discussions happened to be in the U.S. and thus the schedule for lunch and meetings was very tight signifying respect for the time of the Brazilians in the eyes of the hosts. The Brazilian guests thought otherwise because the weren´t able to get to know their counterparts and whether they are able to trust them or not. In the second round of discussions meals were much longer and conversations more personal. The Brazilian hosts tried to show hospitality but the American guests questioned whether they took the negotiations serious or not.

This example shows that one has to be aware of the differences on how trust is built in different countries. In task-based countries like the US acting on a distanced and efficient level shows professionalism and thus trustworthiness while the relationship-based Brazilians view this kind of behavior as impersonal and making it difficult to make oneself an opinion of the others. Therefore socializing is of highest importance for them.

The second example given by Erin Meyer considering the trusting scale is the acquisition of a Chinese food company by Nestle. The Swiss started to present the facts and aspects of the deal in great detail but the Chinese seemed to be completely firm in their point of view and negotiations were impossible. After consulting an expert they changed their approach and invited the Chinese to dinner, talking about personal information. Following that evening negotiations were much easier and the Chinese seemed completely invested.

One can see that China and the Us are on opposite sites of the trusting scale. The US is one of the more task-based countries and in China trust is build trough personal relationships. In China it is of utmost importance to create a personal link between business partners otherwise working together is almost impossible. Therefore the concept of “Guanxi” can help adjusting to the Chinese market. It “loosely translates as personal connections, relationships or social networks” (<https://www.forbes.com/sites/michaelcwenderoth/2018/05/16/how-a-better-understanding-of-guanxi-can-improve-your-business-in-china/>)

And is a fundamental part of making business and decisions in China. It can also mean a network of contacts which can do you a favour or can be used to influence decisions. “Guanxi” is a long term approach and involves having a general knowledge of China, getting formally introduced, making a conscious effort, giving gifts an dine together. (<https://asialinkbusiness.com.au/china/conducting-business-in-china/understanding-the-concept-of-guanxi?doNothing=1>)

Advantages: more influence on people because of personal bond, favors, work faster to meet your demands

Disadvantages: procedural injustice, violation of organizational procedures, in-group favoritism, corruption, job burnout, (and an erosion of trust in authority) (<https://www.frontiersin.org/articles/10.3389/fpsyg.2021.625725/full>)

In conclusion, if you are from a task-based country the best way to create trust is to build a personal relationship by spending time with the person, talking about personal information and presenting gifts. Always take the more personal route.

If you are from a relationship based country you have to be able to accept that the lack of personal discussions and informal setttings isn´t a lack of respect or trust but shows respect for your time. As a result one should also be as efficient as possible to show trustworthiness.

1. Meyer uses the metaphor of Peach vs Coconut to illustrate the difference between two types of trust and how they develop in a business context (p. 174). How does this metaphor explain these two approaches to relationship building? How can people from different ends of the Trusting Scale misread each other’s intentions?

A peach has a soft shell but a hard core. The same can be said about some of the task-based countries. For example Americans are very open to share personal Information with a stranger rather fast, they smile at strangers, move quickly to first name usage and ask personal questions to people they just met. Despite this at some point you will reach the hard core where the really hidden details lie. Those are usually shared only with close family and friends.

In contrast a coconut has a really hard shell, but once you get through you reach the soft inside. The same goes for cultures, like Russia, or Germany. People don´t smile at strangers and may be reluctant to share personal information with people they don´t know well. It takes time to make a personal connection, but when a strong relationship is accomplished they are “trusting and loyal partners”.

People from peach cultures often think that in Coconut cultures relationship building isn’t valued and that people seem cold and unapproachable. Whereas the other way around people from coconut cultures may think, that a person of a peach culture seems crazy, f ake or hypocritical.

1. Meyer suggests considering the communication medium you use in terms of where the recipient’s culture lies on the Trusting Scale (p.189). What are some factors in deciding how to communicate with people from different cultures?

In task-based societies the most efficient way that gets the message across is the best way. One can use email, telephone or meetings, whatever suits the occasion best.

In relationship-oriented countries it is a bit more difficult. The best way is to choose the most personal type of communication that is possible due to time and money. Instead of emailing someone, one can take the phone, or best meet them personally. If a bond is established, one can use email, but if not, it can happen that there will be no response. There needs to be someone who introduces you to the person before you can email to establish a form of trust. Additionally, it is important to consider the amount of small talk before addressing business related topics even if time is short. This can differ from country to country but mimicking the other persons behaviour can help in this case, as well as in emails or in person.

Investing extra time, establish affective relationship

Building on common interest e.g. age