

"Goes much further than the do's and don'ts... useful lessons for the new comer and good reminders for the China hand."—Asian Wall Street Journal

CHINESE BUSINESS ETIQUETTE



A GUIDE TO
PROTOCOL, MANNERS,
AND CULTURE IN THE
PEOPLE'S REPUBLIC
OF CHINA

SCOTT D. SELIGMAN

Foreword by Robert A. Kopp, president,
United States-China Business Council
A Revised and Updated Edition of *Dealing with the Chinese*

Book Chinese Business Etiquette

A Guide to Protocol, Manners, and Culture in the People's Republic of China

Scott D. Seligman
Warner Books, 1999

Recommendation

Scott D. Seligman brings his considerable experience working and living in China to this revised and updated edition of his classic guide. James McGregor, the former chairman of the American Chamber of Commerce in China, said the original classic, "should be a mandatory carry-on item for all business travelers to China." More than a how-to, this is an updated, candid, and thorough tour of protocol, manners, and culture. It delves deeply into the reasons for Chinese behaviors, and shows how you can deal effectively with any business or social situation. *BooksInShort.com* recommends this book to anyone visiting or working in China, or dealing with the Chinese professionally or socially in any country.

Take-Aways

- Understanding what the Chinese expect and why is the key to successfully doing business with them.
- You will be treated in a specific way based on who you are and what situation you are in.
- The core concepts of classic Chinese philosophy revolve around the idea that the correct behavior is based upon relationships.
- The outward harmony pursued at all costs does not reflect a Chinese person's true thoughts or emotions.
- Saving face is considered of utmost importance.
- Intermediaries are used to make introductions since the Chinese do not like doing business with someone they consider a stranger.
- The Chinese genuinely like meeting foreigners.
- The Chinese are taught not to question the social order or to question authority.
- China has a vast bureaucracy that can be very frustrating to deal with, but there are tips that can help.
- The Chinese are comfortable dealing with women in business and always treat them with the same respect as men.

Summary

The Basics

During the 1990s, China let go of its Leninist influences in favor of "socialism with Chinese characteristics." Add the influence of the West - in technology, culture, and manners - and you have a very different China today. Some of the more stringent protocols have been relaxed, but despite this adaptation, the old basic rules still apply. Understanding "what the Chinese expect and why they expect it is still, therefore, vitally important to all who wish to deal with them. In most cases it continues to make the crucial difference between success and failure."

“Even if you don’t play by Chinese rules, they always do.”

Situational specificity is at the core of behavior in China. This means that you will be treated in a specific way based on who you are to a particular Chinese person or group of Chinese, and what situation you are all in at the time. The protocol for dealing with particular business and social situations is slightly different in each type of encounter, though the basic etiquette applies across the board.

“Fewer people especially urban Chinese, fit old stereotypical profiles, and one now finds examples - sometimes pervasive, sometimes isolated - of Western thinking and behavior in even the most traditional of Chinese people.”

The core concepts of classic Chinese philosophy - Confucianism - revolve around human relationships and the idea that the correct behavior is based upon situations and types of relationship. You act one way toward those who are older, and another way toward those who are younger. You behave in a more intimate, loyal manner with those closest to you - the inner circle of your immediate family. However, you have no obligation to extend any courtesies whatsoever to a stranger. Guests are not considered strangers. They are treated in an often-elaborate manner devised just for them.

“Chinese still view the world through Chinese lenses, and most can’t help but look askance at those who deviate from accepted norms.”

Much of what you see in Chinese behavior cannot be taken at face value, since actions don’t necessarily reflect actual feelings. The etiquette has nothing to do with how a person feels inside.

The Chinese do not like doing business with people they do not know, so an intermediary is used to make introductions. If you do not have one, you must provide as much information as possible about yourself and your company.

“Count on your Chinese counterpart to be genuinely interested in finding common ground and in learning from you. The fact that you are a foreigner will generally work in your favor. With few exceptions, the Chinese have a natural friendliness toward foreigners.”

One of the jiedai danwei - host organizations - can help you get out-of-the-ordinary things accomplished, but you no longer need one to arrange for travel, hotels, or routine activities. Business relationships are institutional and not based on close personal ties.

The Chinese consider any group of people to be a delegation with a unified agenda and one voice. Foreign "delegations" should act as a cohesive group and not as a collection of individual voices.

“The core concepts of classical Chinese philosophy, which have percolated down through 2,500 or more years of essentially continuous civilization, revolve around human relationships.”

The leader of a Chinese group, whether in China or abroad, stays above the fray. A liaison person handles all logistical or difficult situations - matters Western group leaders usually handle themselves. The Chinese group leader doesn’t do those things because of the importance of mianzi - face. Face must be saved at all costs. Be aware that the consequences of causing someone to lose face can be severe. "Failing to treat someone with proper respect is a real sin among the Chinese, and it almost always comes back to haunt you."

Business and Social Behavior

Names are very important to the Chinese, so you must know the proper way to address someone at your first meeting. The correct

address is always based on that person's age, and social or business situation relative to yours.

“Since Confucius codified the universe of interpersonal relationships and their associated duties nearly 2,500 years ago, the Chinese have had an established set of principles governing etiquette on which they have always been able to rely.”

Business is facilitated through *guanxi*, which means connections. The core unit in China is not the individual, but the group. The Chinese people have little privacy, but the concept of the privacy of your own thoughts and feelings is of utmost importance to them. Keeping your emotions to yourself is stressed as a critical goal. From earliest childhood, the Chinese are trained to not let their facial expressions reveal how they feel. They are taught to be expressionless. Therefore, they have a definite advantage in negotiations.

“Intercultural communication is a two-way street, and there should always be give-and-take on both sides. In fact, it's a mistake when visiting China to attempt slavishly to do as the Chinese do and forget your own cultural values in the process.”

The Chinese are trained not to question the social order or to question authority. They value the group, and put a premium on debating within a group until an agreement is reached. The decision of the leader, however, is always the final word.

Surface harmony is "the god to which just about everything is sacrificed in China." Regardless of how you truly feel, you are always expected to maintain a polite veneer. Therefore, intermediaries (such as business liaisons) are used to carry unpleasant news or criticism. The Chinese are not physically demonstrative in public. They often laugh at mishaps, which is not a sign that they find it funny. This is a nervous laughter that means they are uncomfortable. On the other hand, the Chinese are very comfortable with silence, which most Westerners are not. Westerners have been trained to fill silence. Also unlike Westerners, the Chinese will always avoid saying the word "no." Instead, they will tell you that something is "under consideration," "inconvenient," or "still being discussed," or they will not deal with your request at all.

How Business Meetings Work

Business meetings are set up in specific formal ways depending upon the situation and people involved. Meetings are generally held in conference rooms rather than offices. The Chinese don't like surprises and will generally discuss their views and positions with each other before they come to the meeting. The Chinese expect foreign delegation leaders to enter a room first. Important guests are escorted to their seats, and the principal guest is given a seat of honor. Then, others can sit wherever they choose.

“Leader-to-leader discussions are expected always to be cordial and correct; while liaisons must handle the thorny issues, the leaders remain free to exchange compliments and accolades.”

Chinese meetings always begin with small talk, then move slowly to the matter at hand. The Chinese prefer to react to others' ideas, not to bear the burden of "setting the scope of the discussion." When the Chinese nod, do not interpret it as a "yes," or a nod of agreement; it isn't. The nod simply means, "I am listening." The Chinese consider it impolite to interrupt a speaker or to put anyone on the spot. You should "always offer a way out, so your counterpart can preserve face." At the end of the meeting, you should always recap what has happened to avoid misunderstandings.

Women in Corporate Circles

Unlike the Japanese and the Koreans, the Chinese are fairly comfortable with women in business settings. Foreign businesswomen receive the same level of respect as their male counterparts. Foreign spouses are always shown the same level of respect accorded to the rank of their husbands or wives. They are included in social functions, although it is uncommon for the Chinese to bring their spouses to social functions related to business.

Home and Dining Etiquette

The Chinese will go out of their way to befriend foreign guests, usually out of sincere interest and curiosity. If you are invited to a Chinese home, your visit will usually include a meal. If you cannot accept the invitation, explain why so that the host will not consider your refusal to be a rejection or a rebuff. If you accept, always bring a small gift with you. Do not bring flowers, as these are associated with funerals. Foreign cigarettes, foreign liquor or wine, a basket of tropical fruit, or a box of foreign chocolates are always

good gift choices. If you know your hosts fairly well, you may choose to bring a gift you know they would like. The Chinese usually won't open a gift in front of the giver unless asked to do so. Except for tight or revealing clothes, the Chinese do not care what you wear.

“The Chinese are flattered when foreigners make and attempt to learn their language, and a phrase or two will certainly earn you high marks.”

In China, it isn't polite to touch your food, or anyone else's, with your hands. Food is presented in cut-up pieces so that you will be able to eat it easily with your chopsticks. Noisy eating is not considered impolite, so don't be surprised if your host talks with a mouth full of food, burps, slurps, or makes any other kinds of sounds usually frowned upon in the West. Always leave something on your plate at the end of the meal. If you don't, you are implying that you are still hungry. Do not drink anything alcoholic until after the host's toast, which can last as long as four minutes.

Getting Things Done

China's bureaucracy can be a nightmare. It is huge, powerful, set in stone, and very resistant to change. The hallmark of the bureaucracy is "many checks, few balances." Officials make decisions based on what is best for China, for their department, or for themselves personally.

“China's bureaucracy probably owes as much to its Confucian heritage as it does to the Soviet Union, on whose government structure it was largely modeled. Far from the "classless" organization of communist mythology, it is in fact strictly hierarchical, with rank and its privileges defined extremely clearly.”

Since most subordinates have not been granted explicit authority in specific matters, they will not make decisions on even the smallest things. They will refer you all the way up to the top of the chain of command. Bureaucrats will not stick their necks out and fear they will "suffer for a decision later." To get someone to say yes, look for a win-win solution. You can:

- Appeal to a higher authority.
- Keep interactions friendly.
- Ask the right questions.
- Remain patient.
- If possible, go in through a back door.
- Try an indirect approach.
- Offer a way out.
- Show enormous respect to the point of being exceedingly deferential.

“In English you can lose face and you can save face; in Chinese however, you can also give face.”

In all cases, you must "allow everyone to "save face." Oddly, taking risks is often a good idea, since "it's easier to ask forgiveness in China than it is to ask permission."

Hosting the Chinese

Taking a trip to another country in a group or delegation is a favorite Chinese method of assessing foreign technology or business. Hosting a delegation carries a lot of responsibility. You will want to take their customs into account. Every delegation has a leader who makes the major decisions. The delegations have structures and hierarchies. Delegations always provide advance lists of members showing delegates' names in protocol order, beginning with the leader. Always clarify what is expected of you as a host, including which corporation is paying for various hotel and local travel costs.

“Chinese tend to go all out for those within their own circles, sometimes putting themselves at great inconvenience or even in ethically questionable circumstances to do a favor for them. But Chinese treat strangers almost as if they do not exist.”

Someone of a high rank in your company should meet the Chinese delegation at the airport and provide their transportation. Give

your Chinese guests an itinerary. Welcome them to their hotel rooms with a basket of fresh fruit. The Chinese consider it a personal honor to be invited to the host’s home. They expect your family to be there. Most Chinese delegations bring gifts for their host organization. Although it is not necessary to reciprocate, it’s always nice to do so with a memento of the visit.

“It’s form over content. One’s private feelings hardly enter the picture at all; it all boils down to how thoroughly one honors one’s obligations.”

Only schedule media interviews if your Chinese guests have agreed in advance. Don’t spring interviews on them. You will find that the Chinese enjoy visiting foreign countries, and that they will be eager to learn as much as they can about your culture.

About the Author

A native of New Jersey, **Scott D. Seligman**, lived in the Orient for more than eight years. He holds a masters degree from Harvard, and taught at Tunghai University in Taiwan. He managed the U.S.-China Business Council’s Beijing office, and helped found the American Chamber of Commerce in China, where he was an executive. In the 1990s, he managed Burston-Marsteller’s China office. He has written numerous articles on China, and is the co-author of *Chinese at a Glance* and *Now You’re Talking Chinese*.
