



Understanding the Chinese Mentality

East and West think in profoundly different ways

When Western and Chinese mindsets come together, there is an opportunity for great misunderstanding. Chinese mindset is based on completely different factors and unique language structure.

Knowledge and appreciation of these factors, as well as their moral values and traditional views is essential to a successful business in this country. We are going to look at some of the key traits of Chinese mentality to help you with that.

"Cha bu duo" mindset in China

The "Cha bu duo" concept is one of the distinctive traits of Chinese mentality. It basically implies cutting corners to get something done faster or cheaper.

For example, a Chinese finds an English expression, sentence or entire paragraph good and copies it into different documents without further review and adaptation.

Or, when you order cotton tags in grey, the supplier might come up with alternatives in white (because it turns out later, that they do not have cotton fabrics in grey).

This prevailing attitude is the reason why China is still lacking the same quality standards as the Western countries have.

This mindset can be seen during a production process as:

- Frequent last-minute schedule changes;
- Failing to notify the buyer when changes are made to the production process;
- Taking excessively long to repair something;
- Failure to detect a mistake in the product that a European inspector can easily detect.

If you have strict requirements for the product, better state them clearly before going into the deal, for instance, the color difference, size difference, the deadline of delivery time... Etc. Or else people would think it is acceptable to give you something Cha Bu Duo, and they see no problem with it.

Mianzi – the concept of Face

Everybody will tell you how important it is not to make Chinese counterparts lose Face, and this is undoubtedly good advice. But what, exactly, is Mianzi (面子)? And that is where the problems start. Most Chinese are very quick to tell you how important Face is — but most of them find difficulty in explaining exactly what it is. The concept of "Face" is something that we are not so familiar with in the West.

Mianzi may be translated as "honor", "reputation" and "respect". It is so important in Chinese social/political/business circles that it can literally make or break a deal.

China is a group-oriented culture and people belong to a myriad of groups – family, university peers, the Party, work teams, social clubs, etc. "Face" represents a person's reputation and feelings of prestige within these groups.

"Losing Face" and "Giving/Gaining Face"

Losing Face – Showing a weakness or criticizing someone in public will damage his reputation resulting in the loss of Face.

Giving/Gaining Face – Giving someone a compliment or giving an expensive gift will earn yourself or someone Face.

For example, Chinese employees are often scared to approach or talk to foreigners. They may not be so confident in their English skills and they fear that by talking English with you, they might show a weakness and lose Face. If you come across this kind of situation, assure them that you are impressed by their English skills, give them compliments, and even try your own hand at Chinese, they will automatically feel a lot more comfortable around you.

Westerners are used to straight forward answers, whether it is a 'Yes' or a 'No'. On the contrary, direct refusals or disagreements are uncommon in China. A negative decision may cause both sides to lose Face.

A more common response is 'maybe' or 'I will think about it...'. A tricky situation may be even ignored until it is forgotten about. In Chinese circles they know how to read between the lines, but foreigners may find this situation more awkward or frustrating. The best thing to do is be patient, take a deep breath and try resolve the situation privately.

The great danger of being seen to make somebody lose Face is that the injured party is unlikely to want to do business with you. Furthermore, all the witnesses of such situation will consider you a potentially 'dangerous' person. If you can make one person lose Face, you are likely to do the same to others.

Tips for giving/gaining face:

- Paying someone a compliment.
- Inviting someone out for dinner (and picking up the bill).
- Giving an expensive gift when meeting someone.

Tips to avoid losing face:

- Calling someone out on a lie.
- Criticizing, disagreeing with or questioning someone's decision.
- Directly refusing an invitation to a dinner or event.

"Have you eaten yet?"

Foreigners often wonder, why Chinese people use the phrase "你吃饭了吗" (Ni chi fan le ma?) as a greeting, meaning "Have you eaten yet?"

This way they greet each other and their foreign friends or partners, often inviting them to have a dinner together before or after a business meeting.

Such invitations are more than just a common courtesy. It is an important part of Chinese culture and business ethics. Such "dinner meetings" (宴会 -yan hui) symbolize unity, which is also reflected in the way the table is laid.

People sit around a big table, taking food from big plates. The tables usually have round rotating tabletops, so that everyone can try every dish.

Such dinner meetings are more than just a tradition. They have roots in Chinese history, Confucianism and collective mentality. It is also a great opportunity to get better acquainted with your Chinese partners in relaxing and casual atmosphere, discuss business prospects and enjoy traditional Chinese cuisine.

"Guanxi" Concept in Chinese Mentality

Guanxi" can be roughly translated as "personal connections", or "social networks".

Basically, it is the system of social relations, based on mutually beneficial cooperation, reciprocity and trust, both on personal and business levels. If you are in "Guanxi" relations with somebody, you are supposed to do mutual favors and support each other in case of need, depending on the nature of your relationship.

It is a core trait of Chinese mentality, and it is very important to understand the way it works in order to have a successful business with the people in this country.

"Guanxi" has its roots in Confucian philosophy, where the individual is seen as a part of the community. It is also closely related to the concept of "Face".

The whole system of social relations in China is based on this idea. In business etiquette it is particularly prominent, and should be definitely taken into account.

Some practical advice:

- Business dinners are important. Negotiations rarely take place at a lunch or dinner, rather it's a time for developing your business relationships and building some "Guanxi". Dinner meetings are commonly used to gently probe each other without any formal commitment.
- The Chinese traditionally give presents to their partners on business
 meetings. There are certain rules for this matter, which can help you avoid any
 misunderstanding, produce good impression on your Chinese counterparts
 and earn some "Guanxi".

The appropriate gifts for such occasion include national souvenirs, items with your company logo, classy alcohol. It is good practice to wrap them in red or gold colors, symbolizing luck and well-being. Social hierarchy is also very important: head of the company and the senior managers should be given presents first.

• **Do not rely on formal agreements.** Good "Guanxi" relations are generally more important for the Chinese, than some legal formalities or contract details. Successful business in China depends largely on the "Guangxi" you forge and who you build this relationship with.



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