

Coco^{me}Loco

Ecuadorian Intercultural Training Trainer's Manual

Prepared by Team 9: Alex Illingworth
Jeff Alexander
Jill Tester
Molly Randhawa
Zach Dallas

Prepared for: Juana Du
COMM 350

Contents

2	Contents
3	About the Presentation Presentation Requirements Notes to the Presenter
4	Introduction
5	Hofstede's Cultural Dimensions Power Distance Masculinity Individualism Indulgence Uncertainty Avoidance Long Term Orientation
8	Developmental Model of Intercultural Sensitivity (DMIS)
9	Closing Notes
	Appendixes
10	A Reflection of Inaugural Presentation
11	B Executive Biographies
12	C References



About the Presentation

This presentation is designed to prepare Coco me Loco employees for an upcoming business trip to Ecuador by educating them on key cultural differences as outlined by Geert Hofstede. The training session uses interactive videos as the primary training method.

Presentation Requirements

Time required: 30-45 minutes

Number of presenters: 1-5

This course accommodates up to 50 people divided into 10 teams.

The course uses the web app *SMSPoll.net* in parallel with the Keynote presentation. The six interactive polls can be found here: <http://www.zachdallas.ca/#!poll/ckfy>, accessed with the password: "Team9".

The Keynote file contains 56 slides. Only 29 of the slides are part of the standard presentation. The remaining slides have embedded video clips for the participant's choices on slides 10, 12, 14, 16, and 18.

As the course utilizes several videos, thus an audio system appropriate to the venue should be utilized.

Dual projectors are preferred. One screen should display the Keynote, while the other displays the poll results.

Notes to the Presenter

The first two slides are automated to change after 30 and 60 seconds respectively. There is musical accompaniment. When the Coco me Loco logo appears, the slides will only change when manually advanced.

The four digit code attached to each choice on the scenario videos is what teams are to text (SMS) to the number provided by *SMSPoll.net*. Each phone gets one (1) submission per poll.

The choices for each video are hyperlinked to the corresponding slides. It is important to not add any additional slides anywhere, as it will disrupt these hyperlink paths.

In the event an incorrect answer is selected after a video, a 'No Deal' slide appears. Click on the topic that led to this slide to return. The video will play again, and you can continue as normal.

Introduction

Coco me Loco was founded in 2010 as Vancouver Island's first free-trade organic chocolate and candy maker. Since then, Coco me Loco has seen an increase in sales, to which they cannot meet the current demand. Because of this, the Coco me Loco executive team has begun to explore additional suppliers and resources. Recently the Coco me Loco team discovered Urdesino S.A.

Urdesino S.A. is a family-run company that has grown cocoa in Ecuador for over 100 years. Urdesino has begun to expand their operation and is looking for foreign investment to support their growth. In 2014 Ecuadorian cocoa received a high-quality ranking among the Latin and South American cocoa exporting countries.

The Coco me Loco executive team will be traveling to Ecuador to meet with Urdesino S.A. in July 2015. The executive team has elected to bring three to five additional Coco me Loco employees on the bargaining trip as a way to show Coco me Loco's family-like and grassroots operation. Upon completion of this cultural training course, the team (3-5 people) who scores the highest on the activities will be brought on the trip.

The intercultural training session is made up of two parts: Hofstede's Cultural Dimensions, and the Developmental Model of Intercultural Sensitivity (DMIS).



Hofstede's Cultural Dimensions

Based on Geert Hofstede's research of six areas of culture, we can see several differences between Canadian and Ecuadorian cultures. An in-depth analysis of each dimension can be found on the following pages.

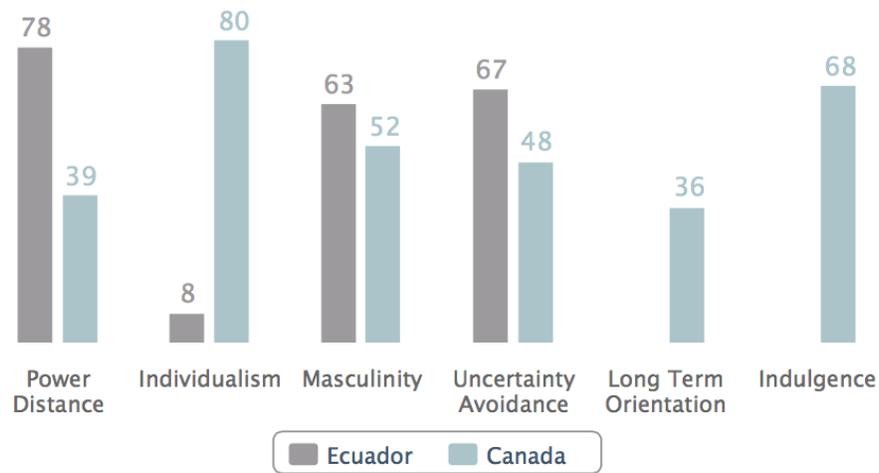


Figure 1: Hofstede's Cultural Dimensions comparing Ecuador and Canada.
Source: www.geert-hofstede.com



Power Distance

Using Hofstede's cultural dimension model, Ecuador scores high on the Power Distance Index (PDI). It is culturally accepted by Ecuadorians to believe that the inequalities that are placed upon people should be accepted. This enforces the fact that since that is how it has always been, that is how it will continue to be. This is accepted by different layers of society, and is often linked to race and social class. On Hofstede's model, Canada scores exactly half of Ecuador. With this in mind, while trading with Ecuadorians, Canadians must be mindful of the fact that this power distance does exist within organizations. In the simulation video that we have created, we explore the possible outcomes that can be experienced if not well trained or informed about the cultural differences of power distance. There is a wide range from blue collared workers and white collared jobs, which is also comparable in salary cuts. The hierarchy in the organizations reflect directly on the inequality of the range of these workers. More specifically, in regards to the cocoa plantation used in the simulation, there is a wide disregard of the cocoa farmers and the plantation owners.

Masculinity

Ecuador is culturally male dominated, this means that Ecuadorians are highly competitive. They are driven by success, and like to be rewarded with status and recognition. This is done through a more collectivist mindset rather than an individualistic one. In a masculine society, people are more driven to be the best, where as in a feminine society, they are encouraged to like what they do. The roles of genders in a society is important to understand before departing to another country with different cultural values as your own. While Canada's score is only 10% less of Ecuador's, it is still vital to accept the high masculine power structures that are put in place by organizations. They are likely to be more assertive, and as mentioned before they prefer recognition within their company or workplace. Oftentimes, Ecuadorians are competitive with one another but not in the same work environment, they are more likely to compete with different groups in order to gain status. This also contradicts the stereotype that Latin American people avoid hard work.

Individualism

Ecuador is a very community-driven culture. However, these communities exist within their own individual groupings. Largely due to the vast power distance between the upper and lower classes in the country, each group exists in-and-of itself. That being said, within each grouping, whether it involves money, profession, political preference or any other number of things, there is a strong sense of community among themselves.

This specifically becomes an issue in the dealings of Cocomeloco and Urdesino S.A. when any conversations take place regarding the workers that Urdesino employs. It is natural and common for Canadians to speak about the workers who do the labour for them. This is NOT something that Ecuadorians are comfortable speaking about during negotiations. This is not an indication of how they treat the workers, but more a case of those issues being wholly of no concern to the overall dealings in a high-level negotiation.

Indulgence

The indulgence piece of the Hofstede model does not play into negotiations as directly as some of the other cultural differences of the cultural dimensions model. There is, however, a vast difference between Canadians and Ecuadorians on this scale, most notably being that Ecuador doesn't even register on the scale. This makes it difficult to truly gauge where Ecuadorians stand on the matter of indulgence, as the reason for not registering on the scale could be a matter of the misunderstanding of indulgence in a general sense.

Where this could prove an area of concern is regarding any headway made in the negotiation processes between the Canadian company and the Ecuadorian provider, and even more pronounced during post-negotiation celebrations, if any. A common practice in Canada after a deal of this magnitude would be to go out and enjoy drinks. This also plays a little into the individualism cultural dimension as a sort of self-congratulatory practice.

This isn't to say Ecuadorians have no concept of celebrating success, but as mentioned earlier their understanding of it is so different than that of a Canadian that the preferred activity of the Canadian entity would be lost in translation on the Ecuadorian partner. In Ecuador the far more likely scenario is a nice dinner with the host family or equal "power" to signify the "in-crowd" aspect of the culture's great regard to community among peers.

Uncertainty Avoidance

During these business procedures it is important to have in mind that Ecuador scores a high level in uncertainty avoidance. This will mean that there has to be extreme care when addressing the Ecuadorians about the details of the deal. There needs to be a comfortable exchange of information so that the local businessmen don't feel they are missing details about what they are negotiating.

This means that the team needs to plan the meeting strategically so that they can make them feel as comfortable as possible. They will have to use language with simple terms, especially if the proceedings are done in English. There is no room for trying to impress them with flamboyant language. The goal is to try to be an equal to them; if they feel like they are being approached with superiority they will reject the deal.

Having handouts will prevent the use of language that either party may not understand for the meeting. A simple definition of key terms on a handout can help their perception of the team as equal, it also can be seen as a polite gesture.

Long Term Orientation

Ecuadorians seem to respect tradition, to them family is important and are picky when choosing who to trust or let into their inner-circles. However, they also like to view any opportunity as a learning experience. Ecuadorians like to do business with people or companies they admire, so it can be said that for the sake of business growth, they are willing to put tradition behind and embrace the future with new financial methods.

It is of essence to not give the impression of showing off to the Ecuadorians. However, it may make the business relationship stronger by giving insight into the way Cocomeloco works as an enterprise to the negotiator. This is also viewed as a sign of trust, which is a main theme in the way Ecuadorians do business.

Developmental Model of Intercultural Sensitivity (DMIS)

The Developmental Model of Intercultural Sensitivity was created by Milton J. Bennett Ph.D.. This model demonstrates cultural sensitivity and how people react to different cultural situations. The first three stages are on an ethnocentric level, or when people believe that their culture is above everyone else's. The third to sixth level is called ethnorelative context. These levels focus on the acceptance of other cultures and how people interpret them as their own.

In the *Coco me Loco* simulation, we divided the six stages of acceptance into different skits. The first scene focuses on the denial stage of the DMIS model. It demonstrates a person's disinterest in other cultures. In these situations the person will only focus on their own outlook and think that their culture is the only one that exists. During the dinner scene, Jill is turned off by the fact that they do not speak English. This makes her uncomfortable and she wonders why she came. She denies any chance of adapting to their culture and is very ethnocentric. The defense stage deals with the issue of thinking one culture is above another. One person in the interaction will believe that their culture is superior to the others. In the dinner scene, Alex asks Jill if she enjoys the food. She gives a defensive response and says it needs cheese. This response demonstrates her defense about accepting their culture. Minimization tries to create similarities between cultures and romanticize their country. Although they have more universal views, they are still ethnocentric and do believe in their country's superiority. Jill tries to minimize the relationship at the table when talking about the wine and saying they have this at home. Through this example, you can see that Jill is trying to minimize the cultural differences and relate to them through similarities.

The acceptance level is at the beginning of the ethnorelative section. It accounts for the equality and complexity of different people's views around the world. The individual is interested and respectful towards the person they are talking to. During the dinner scene, Jill shows her acceptance of their culture by trying to communicate with them in Spanish. This demonstrates her acceptance and shows her interest in Ecuadorian culture. Adaptation accepts the person's perceptions and tries to adapt to their cultural stance. They try to interpret the view of the world through the other person's eyes. Jill discusses the recipe and says she is going to try and make it. She views the situation and complements the traditional plate in front of her. Lastly, integration explains a person who can integrate themselves in different cultures and be accepting of all. Although this is not always better than adaptation, it is still part of the ethnorelative part and is encouraged to achieve. In the video, Jill demonstrates that you can go too far when trying to integrate into their culture. She eventually turns to stereotypes and goes full circle back to the denial stage. Overall, the DMIS scale measures the amount of cultural sensitivity someone has in a situation.

Closing Notes

Upon completion of this course Coco me Loco employees should have a better understanding and appreciation for Ecuadorian culture and business practices. This program will not cover all situations, but is instead intended to provide some examples and potential workarounds.

Trainers are expected to have a basic knowledge of each theory discussed in this program so that they can answer any questions that arise. The information provided in this manual is specific to this program and Ecuadorian/Canadian culture.

While this is a serious training program, it is intended to be fun. Trainers are welcome to add their own flair and style while presenting. Coco me Loco business practices and views must be retained throughout.

If you have any feedback about this training program, please feel free to direct it to the executive team.



Appendix A - Reflection of Inaugural Presentation

All things considered the Coco me Loco cultural dimensions presentation and training went well. Looking into the audience we felt that everyone was thoroughly engaged in the activities and the breakdowns.

One thing that may have achieved an even higher level of competition and thereby activity would have been to have mid-tier prizes handed out during the presentation itself. Though it may not seem like a fit for the style of presentation we built, there was opportunity to reward those who provided compelling reasons to their answers when incorrect. The reason we feel this way is that understanding Hofstede and the cultural differences between Ecuador and Canada – or anywhere else for that matter – is largely dependent on other differences within the same scale. For instance, there were some answers and justifications given that could have narrowed the cultural gap, even if they weren't the most effective. As planned, this helped generate discussion between the presenters (us) and the learners, however we would have done well to have had some kind of token prize for people who extended themselves and attempted to publicly problem solve and justify.

The combination of technology, role-playing and a deep understanding of the material helped team 9 create a fluid and engaging learning module for the class to participate in and, hopefully, they all went away with a deeper understanding of the ways in which we can all navigate cultural differences.



Appendix B - Executive Biographies



Jeff Alexander - CEO

Jeff started Coco me Loco in 2010 after a failed search for a free-trade organic chocolate bar in the Victoria area.



Zach Dallas - COO

Zach found his way onto the Coco me Loco team in early 2011 after buying into the Kickstarter campaign with \$10,000.



Jill Tester - Administrative Officer

Jill keeps the Coco me Loco office running smoothly. The inspirational cat pictures hung in her cubicle make the office a better place.



Molly Randhawa - Human Resources Manager

Molly makes one of the worst jobs look like the best job. A \$20 bill in an unmarked envelope will put anyone on her good side.



Alex Illingworth - Ecuadorian Culture Specialist

Born and raised in Ecuador, Alex knows the culture in and out. Alex was hired to assist Coco me Loco in acquiring Ecuadorian cocoa.

Appendix C - References

Developmental Model of Intercultural Sensitivity. Retrieved March 11, 2015, from <http://www.afsu.org/schools/global-classroom/spring-2011/intercultural-sensitivity/>

Geert-hofstede.com,. (2015). *Ecuador - Geert Hofstede*. Retrieved 1 March 2015, from <http://geert-hofstede.com/ecuador.html>



Coco^{me}Loco

© 2015