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# SALES MANAGEMENT KEY SUCCESS FACTORS IN A COMPLEX ENVIRONMENT

Jörg Bothe\*

## **Abstract**

*The article focuses on evaluation of the needs and the structures of sustainable sales management key success factors (KSF) in a complex sales environment. The first part of this research is to discuss the difficulties to define KSF generally and specifically for a sales organisation in complex situations. Another purpose of this paper is to discuss the contrast between requested specific success factors in relation to the complex environment of sales activities. The aim of the article is to determine the three overall valid factors for all kind of decisions affecting the success of sales organisations.*

*Increasing international competition, higher expectations regarding shareholder values, getting a higher market share, increasing or stabilizing prices and last but not least, just surviving in between all the market forces. All this put the necessity of productive sales organisations into the spotlight for the top management and the international research. At the same time products in the B2B Sector became more and more comparable and prices are under strong competition pressure. So Sales Organisations are one of the top key performance enablers in successful companies worldwide. That is the reason why the key success factors in a complex sales environment must be investigated.*

**Keywords:** *Key Success Factors, Complexity, Sales Management, Sales Success, Sustainability*

**JEL Classification:** M10, M16, M19

## **1. Introduction**

The purpose of this article is to identify the three overall valid Key Success Factors for sales organisations performance. Furthermore it has to be investigated how to receive the right information without disturbing the sales force in their important work and how the organisational structure supports or undermines the main subject of a sales control system.

The role and perception of sales controlling systems has grown dramatically in the past decades. Increasing international competition, higher expectations regarding shareholder values, getting a higher market share, increasing or stabilizing prices and last but not least, just surviving in between all the market forces. All this put the necessity of productive sales organisations into the spotlight for the top management and the international research. At the same time products in the B2B Sector became more and more comparable and prices are under strong competition pressure. So Sales Organisations are

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one of the top key performance enablers in successful companies worldwide. That is the reason why the sales controlling instrument systems must be investigated.

In Sales, time, motivation and information are a limiting success factors. This creates a triangle with interrelated and interdependent limited factors. In the same time organisations are fighting for the attention of their sales forces. Fast changing product life time's create the need for technical product trainings, the needs of the market and customer information have to be transferred and channelled by the sales force. Furthermore higher demands on compliance and anti-trust systems, financial and contract information and negotiations, accurate budget planning seasons reduce the active sales time, dramatically. (Huckemann/ Schmitz 2014)

Furthermore, sales managements demand a high accuracy in real time of a high number of key performance indicators. On the other hand they are reducing the quality of the required information or reducing the active sales time further. Nevertheless, sales people are not very much interested in giving greater insight into their own sales pipeline for the management. They feel observed, over-controlled and limited in their freedom towards their own activities. Last but not least, companies are working together with independent sales dealer or sales agents in export markets. These independent sales organisations are normally not interested in giving any insight into their own sales pipeline or further information. So, the new challenge for the sales management is to define the right key performance indicators without damaging the motivation of the sales force or reducing the active sales time to zero and receiving the right information in the same time to control and manage company's success.

## **2. Research Methodology**

In order to attain the foreseen objectives, relevant research articles and literature from renowned publishers as well as globally recognized research entities and professional organizations were studied. The focus was on a desk study comprising the analysis of publications to provide an overview of short and long-term sales controlling instruments for a productive sales organisation and defining approved actions within a short reaction time after perception.

## **3. Short Literature overview**

Although sales is an important part for companies success, the research is mainly related to the performance factors of sales people. (Jaramilio, et. al.), (Miao, et. al.), (Verbecke et. al.) The role of the Sales Management is viewed in respect to detailed Management proceedings. (Binckebanck, et. Al. 2013), (Homburger, et. al.)

Sales complexity has been discussed in detailed views. (Schmitz/ Rader), (Binckbanck et. al.). Recently the combination of complexity and a sustainable management approach has been discussed. (Bothe/ Nachhaltigkeitsmanagement). The complexity of setting Key Success Factors is described in detail by Grunert and Ellegard (Grunert, Ellegard) and Chamberlain (Chamberlain)

## **4. Key Success Factors**

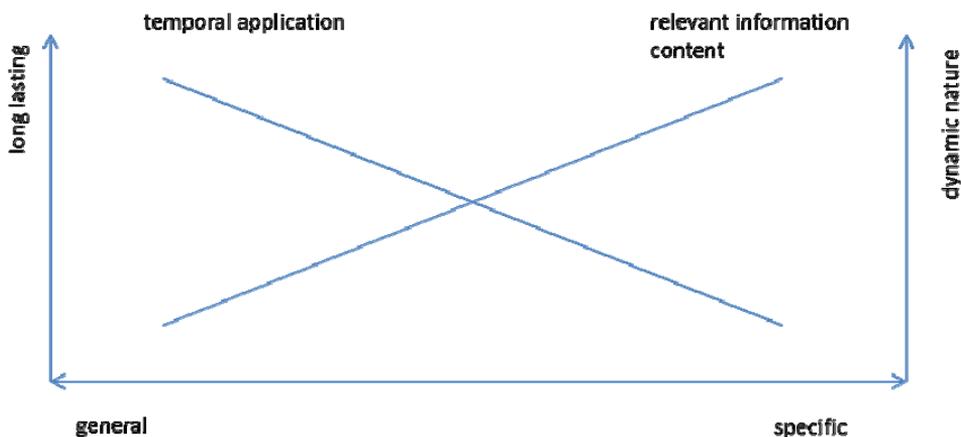
First subject is the discussion of the validity of Key success factors by strong interdependencies between being general and concrete enough in the same time. This is

necessary for operating within a wide range of application scenarios and giving sufficient insides and guidelines for the managers in the same time.

Grunert and Ellegard are discussing possible definitions of key success factors and choose it “as a description of the major skills and resources required to be successful in a given market”. Furthermore they discuss how key success factors can be described in general or in concrete. The general description gives a long lasting version, but with little information content. The concrete formulated key success factors will be more transient, because dynamic nature of causes of success in particular market. (Chamberlain)

For the definition of the key success factors for a turnaround process it seems to be necessary to predefine the subject surroundings, e.g. size of companies, industries, markets. In addition there is a need of a minimum group size and a defined management level of the market evaluated, which has to be defined in the research project. (Grunert/ Ellergard) Furthermore the business model can be taken as a group definition, e.g. business to business in need of an explanation.

Grunert and Ellegard are discussing possible definitions of key success factors and choose it “as a description of the major skills and resources required to be successful in a given market”. Furthermore they discuss how key success factors can be described in general or in concrete. The general description gives a long lasting version, but with little information content. The concrete formulated key success factors will be more transient, because dynamic nature of causes of success in particular market. (Chamberlain)

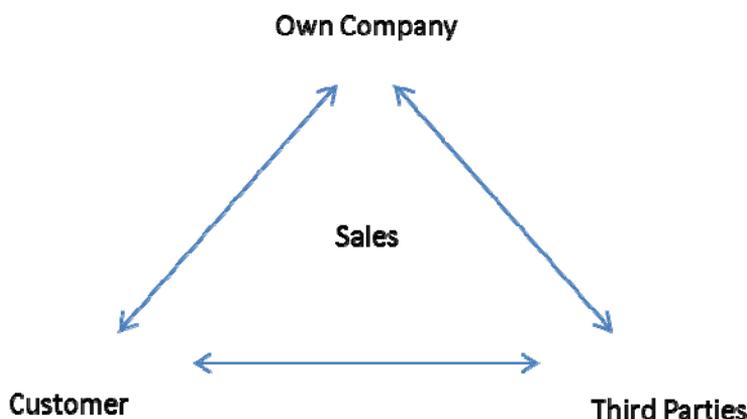


**Picture 1: Interdependency of Key Success Factors** (Own chart combining Grunert/ Ellegard and Chamberlain theories)

Companies have to earn money and the Management is responsible to deliver results. Key Success Factors with the focus on resources and major skills are totally different to Key performance indicators. KPI's are sophisticated and systematically built controlling instruments showing results for each and every detail in a company. Key success factors, as described before, are the basement of the results.

### 5. Complex Environment of Sales Organisations

Sales organisations are in the role of information dealer between the own company, the customers and different third parties. (Belz, Schmitz 2011), (Verbeke, Dietz, Verwaal 2010) Each of it is a complex system and so the situation of sales organisations is complex in several perspectives. The complexity on the individual level of the sales or account manager can be divided into two main drivers, the external and the internal drivers. Each of it contains six complexity dimensions. The external driver contains customer complexity, competitive complexity and technological complexity. The internal driver contains incentive system complexity, role complexity and sales technology complexity. (Schmitz/ Rader 2010)



**Picture 2: Information flow in a Complex Environment of Sales Organisations**  
(own chart, according to Beltz/ Schmitz)

#### External complexity

The history of market conditions are built and characterized by actual and former parties like, companies, research and development agencies, politics and customer needs, as well as a non-linear market development of sales organisations. Market development resources are limited by market principles. Optimum market services are always a compromise between a maximum sales power and the expected results. (Bothe/ Nachhaltigkeitsmanagement)

More and more frequent and fast changing customer needs are increasing the costs and requirements, especially in international and multinational markets. Out of this, the complexity rises extraordinary to find customer satisfying solutions. (Bothe/ Nachhaltigkeitsmanagement) Furthermore, the complexity will rise in combination with delays in communication because of multilingualism, cultural differences and special interests of almost independent sales representatives and internal decision-making structures (Binckebanck/ Lange 2013). Unpredictable and uncontrollable competitor activities, market driven technical developments and political decisions are always possible. The opportunities to influence these market drivers are limited for companies or sales organisations.

The external system with its dimensions of complexity, their fast changing speed and the limited influence of the sales organisations leads to an almost uncontrollable process. (Bothe/ Nachhaltigkeitsmanagement)

### **Internal complexity**

International competition requires highly efficient organisations. Internal processes are driven by a high degree of division of labour and specialization and create a complex system. Resulting interface problems are limiting the capability and the speed of information flow. Sales organisations have a high impact on these interface problems by the information quality degree. As better the given information and the need of the required decisions are, the more efficient the internal organisation will push information back. Out of its own market actions and the complex communication in the company, sales increase the complexity. (Hutt/ Speh 1992)

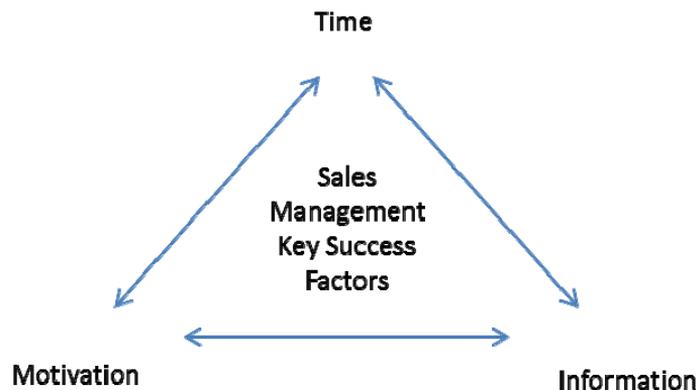
Complexity can be reduced and information speed can be increased by a higher competence in sales organisation. As less information has to be created or transformed in the company as higher is the speed in the communication with the customer, which leads to a higher order probability. Sales Organisations can increase their own skills by a better prequalified information flow on technical, application, legal or commercial issues. (Bothe/ Nachhaltigkeitsmanagement)

As an information dealer between the own company, customers and potential third parties the sales organisation are trapped timewise in complexity. (Cespedes) On one hand information procurement possibilities are limited and on the other hand company resources to deal with several projects parallel are limited. The coordination of projects between internal organisational units and the decision taking level increases the opportunity costs by lost sales opportunities. Main reason is that sales organisations have strongly limited decision taking opportunities, because of close hierarchies. (Bothe/ Nachhaltigkeitsmanagement) Time is a competitive advantage, when decisions are taken in market speed and not in company speed. (Cespedes)

## **6. Definition of Sales Management Key Success Factors**

Sales Organisations are an important part for the company's success. As an information or knowledge broker (Schmitz, Rader 2010), the fast information flow to the customer and back to the company is an essential prerequisite for this success. Processes and information processing capability of the sales people (internal, external and connected companies) are crucial important. Work with customers in dynamic markets needs time and a high speed operating system to fulfil high demands for own success. Last but not least, the motivation of sales people shown in higher commitment is the driver for success, being ready to go beyond the call of duty. (Jaramilo et. al. 2003)

Sales organisations are acting in complex environments. Sales management functions are support the operational sales people to perform on the highest level and to transform market and sales information for the internal company to operate as lean as possible. Key success factors for the sales management are:



**Picture 3: Sales Management Key Success Factors** (own chart)  
(according to Bothe, Sales Controlling)

**Time.** On the one hand time is needed to train the sales people and to enable them to contact the right customers and to understand the buying centre composition and characters. Just to do the work they need to do to be successful. On the other time is important in terms of speed. Market speed in decision taking time (Cespedes 2014) as well as the availability of information from all necessary sources, internal and external is fundamental. Furthermore to be the supplier of the best solutions to market needs.

**Information.** Firstly the information processes flow from sales organisations into the company and out of the company into the sales organisations. Especially, for companies with a worldwide sales organisation it is difficult to ensure a fast information flow in and from all countries. Secondly, the ability to transform information to selling related knowledge, the cognitive aptitude to convert information to necessary adaptiveness in behaviour. (Verbeke, Dietz, Verwaal 2010)

**Motivation.** Surely, the high personal intrinsic self-motivation and effort a sales person is able to show, is one of the basic performance driver. Intrinsic factors are challenge, enjoyment (Jaramillo, Mulki, Marshall, 2003). Furthermore the extrinsic motivation in terms of organisational commitment is important (Miao, Evans, Zou). The extrinsic motivation is related to several factors as compensation and recognition (Jaramillo, Mulki, Marshall,). Goal orientation and role perceptions are further categories. (Verbeke, Dietz, Verwaal), (Singh)

## 7. Conclusion

Key Success Factors has to be defined general and specific enough in combination with long lasting and on the today's dynamic markets needed information content. Sales people performance is related to organisational commitment. Motivational factors and information processing capabilities on the one hand and the speed of information flow on the other are the keys for success. Sales Management has support functions for the sales people and the internal company. Their main tasks are to ensure information availability,

information processing capability and to support sales people motivation. Furthermore Sales Management has to ensure the needed time to work with customers and to gain knowledge as well as a high speed in information transportation and decision taking. Combining this demands the Key Success Factors time – information – motivation, covers them.

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# THE COOPERATION IN CLUSTERS, A STRATEGY FOR THE DESTINATION MANAGEMENT ORGANIZATION

Lidia Alexandra Năstase (Păun)

Florența Larisa Vasile (Ile)\*

## Abstract

*Clusters vary from one company to another depending on the activity, the area in which they operate and activity of networking with other institutions in the areas of interest. The tourist destination organization could contribute to the regional development by implementing in its development policy the strategy of a cluster association. This paper provides an overview of the investigation of the term cluster with an emphasis on the level of knowledge of the term. The recent development of this sort of association is increasingly taken into considerations by investors and also by policymakers, interested in regional development of economy. Our hypothesis considers that the term cluster, regarding the association for the regional economic development, could be a good strategy for Romanian firms and particularly for destination management organization. In this paper, based on the exploratory research and a pilot survey, we show that the term cluster, on the perspective of economic growth, is moderately known and his impact on the economic development is rather unclear. Regarding the management of tourism destination, the association in clusters prepare for a long-term development support for tourism, integrated in the European development strategy. For a tourism destination organization, the association in a regional non industrial cluster provides consistency for the development policy and strategy, growth the institutional and companies relationship, improve legislation, touristic product development and diversification, marketing, tourism infrastructure, rise the economic impact of tourism, attract new investors and enhances the human resource development.*

**Keywords:** *Development, cluster, association, destination*

**JEL Classification:** R110, R580, Z300

## Introduction

Clusters are a key dimension of the European Commission policy agenda in terms of upgrading the European competitiveness and creating the new dynamism in the European economy.(Ketels and Protsiv, 2016).

The term cluster is used in any group of activities to achieve the relationship and to develop various areas of interest. In the cluster theory, the exchange of knowledge between clusters members is particularly noticeable. These exchanges take place through different forms of interaction between cluster companies, from vertical supplier-buyer relationships, to horizontal alliances, licensing agreements, or research consortia (Arikan,

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2009). According to Porter (1998), clusters are a new way of thinking about the territorial location, a challenge of the conventional approach of companies' configuration, universities contribution to the competitiveness increasing, or governmental involvement to promote economic development.

Clusters can be combined naturally with the evolution of the market for any type of association, raise the level of performance of the company, but also the area of interest in which it operates. The economic development based on cluster growth is due to increased competitiveness through the emergence of several companies operating in the same field. Similarly, a reduced economic activity and the disappearance of some firms may lead to a slowdown in the emergence and development of clusters. Clusters may vary depending on the activity, the area in which they operate and the networking type with other institutions in the areas of interest. Modern cluster approaches associate the geographic proximity of companies and other similarities or differences: employee skills, technology used by each company, management or market capacity of companies (Miron et al., 2016). Considering Pike's (2008), the tourist destination is not just a political or administrative boundary, but rather, it is a geographic space in which there is a cluster of tourism resources. We wonder whether cluster association might be one of the key development strategies of destination management organizations in Romania but, at the same time, what is the level of knowledge of the cluster concept among Romanian companies? The degree of knowledge of the concept and how theory of clusters is relevant for establishing the development strategies of the Romanian companies could be the elements from which we can start to analyze the influence that this type of association has on the development of a destinations.

The introduction familiarizes the reader with the context of the paper. It must reflect, briefly, current research in the field and order approach presented in the article.

### **1. Review of the scientific literature**

At European level, the economy is divided into large regions or areas of interest; while macroeconomic conditions are suitable for many areas, the microeconomic differ significantly, which are common within the country. Recent studies have shown strength developed clusters in supporting a larger region to further enhance performance. (Ketels, C. & S. Protsiv, 2013). The clusters power is given by the complexity of the components, as shown in the European Cluster Panorama (2016) (Fig. 1.)

In the followings, we explain the significance of groups of elements.

- Specialization is measured by the relative size of regional employment in a given cluster category, reflected in its location.
- The absolute size is measured by the number of employees and establishments.
- Productivity is measured by the wages paid in a regional cluster (adjusted for local cost levels).
- Dynamism is measured by a simple average employment growth and the presence of fast-growing new firms.

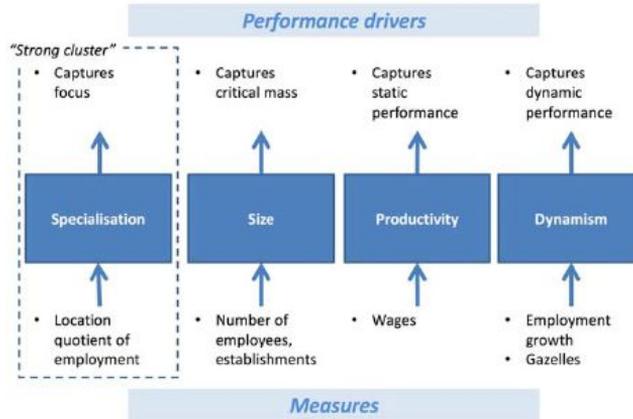


Figure 1. Measurement of the performance of clusters

Source Ketels and Protsiv, (2016), European Cluster Panorama

Porter (1998) define cluster as „geographic concentrations of interconnected companies and institutions in a particular field” According to Porter (1998), in a cluster a multitude of industries are connected to other entities important to competition - considered to be in coexistence with cooperation, because they occur on different dimension and among different companies. The cluster emphasis the shared knowledge witch enable cluster firms to „combine and re-combine similar and non-similar resources to produce new knowledge and innovations” and stimulate the economic specialisation within the cluster (Bathelt, Malmberg, & Maskell, 2004). Expósito-Langa et al (2015) use the idea of network as a metaphor to explain the relational characteristics of clusters. Due to the geographical proximity, the information passing between different actors becomes a normal fact. Consequently, spaces and networks as vehicles of knowledge transfer and dissemination significantly overlap (Boschma and Ter Wal cited in Expósito-Langa et al, 2015). Inside the cluster, knowledge resources flow fast, which results in reduced search costs (Maskell cited in Expósito-Langa et al, 2015). Moreover, the knowledge utilization is different to that produced in other contexts, which help the learning process and generates valuable effects for all the firms in the cluster.

In the Table 1 we can see the most important clusters from all Europe. Most regions have between 5 and 15 strong clusters according to the definition stated by Ketels and Protsiv (2016) in European Cluster Panorama.

**Table1. Leading Regions by Cluster**

Region Name	Largest City	Top 3 Clusters
Istanbul	Istanbul	Appliances Textile Manufacturing Biopharmaceuticals
Oberbayern	Munich	Aerospace Vehicles and Defense Biopharmaceuticals Video Production and Distribution
Île de France	Paris	Performing Arts Video Production and Distribution Marketing, Design, and Publishing
Stuttgart	Stuttgart	Production Technology and Heavy Machinery Automotive Metalworking Technology
Lombardia	Milan	Textile Manufacturing Insurance Services Financial Services
Hamburg	Hamburg	Water Transportation Metal Mining Medical Devices
Düsseldorf	Düsseldorf	Production Technology and Heavy Machinery Communications Equipment and Services Upstream Chemical Products
Slaskie	Katowice	Coal Mining Lighting and Electrical Equipment Furniture
Wielkopolskie	Poznan	Appliances Furniture Livestock Processing

Source Authors adaption on Ketels, C., Protsiv, S., (2016). *European Cluster Panorama 2016*, European Cluster Observatory Report

Firms optimize their strategic development by „accumulating, combining, and recombining resources” (Zettinig, and Vincze, 2012). In this effort, firms adjust the activity to their external environments by taking decisions regarding how a resource base could be directed towards specialized processes and investments to become a set of dynamic capabilities. (Jacobides and Winter, Teece et al., Eisenhardt and Martin, cited in Zettinig, and Vincze, 2012). Therefore, environmental dynamism should be taken into consideration in evaluation of the processes types that qualify as dynamic capabilities. As Nelson and Winter cited in Zettinig, and Vincze (2012) stated, traditional organizations inside stable environments develop routine that make their actions more predictable, further contributing to the stable environment, and, in most cases, this is a critical factor of their actual efficiency and competitiveness. In dynamic contexts, such routines may be a barrier in terms of adapting to the changes of the external environment (Eisenhardt and Martin cited in Zettinig, and Vincze, 2012). In order to continue to exist in the context of environmental change, companies need to perform in two actions: exploitation for the current needs, but also, exploration, for future incomes. From a network perspective, well-built relations between actors typically favor the exploitation of existing knowledge

and technologies, while weak connections help the exploration of new knowledge and technologies (Ahuja cited in Zetting, and Vincze, 2012). Therefore, it is important to build a cluster network that contains both relations (Zetting, and Vincze, 2012)

On the other hand, conventional location theory holds that location preferred by firms is determined by transport cost minimization and best possible combination of key location-specific inputs for an optimal level of production in order to maximize the profit (Parto, 2008). According to Storper cited in Parto (2008), co-location by firms in clusters is expected to secure competitive advantage through deriving benefits from

- Increasing returns driven by the systemic properties implanted in the local systems in the context of globalization
- Decreases in transaction costs
- Improvement and technological growth arising from local exchanges
- Cost reduction through learning by imitation
- Dedicated labor market, specialization through local division of labor, the existence of capable specialized suppliers
- The advantage of the first move outside the initial area of specialization
- Benefits related to customer orientation of the organization and diversification of products

As Parto (2008) state, many articles have been written on clusters over the last few years. The growing interest in clusters is a manifestation of the broader change of approach in economic policymaking toward the microeconomic basics of wealth and development (Ketel cited in Parto (2008), a change whose legitimacy has been questioned by the more critical scholars such as Harrison (1992), Harrison, Kelly and Grant (1996), and Martin and Sunley (2003) (Parto, 2008)

## **2. Research methodology**

To appreciate the economic operators' view of clustering in order to record new regional economic performance, a pilot survey was launched for 60 companies' stakeholders. We used an exploratory survey considering the lack of knowledge about cluster association and its strategic importance for local and regional business development. The questionnaire applied to economic operators is made up of 12 items distributed in such a way as to provide information on both their views and their concrete actions on the proposed topic. In this regard, 6 matrix answer questions were formulated; 1 open question, giving respondents the opportunity to express themselves freely and 5 grid questions with predefined responses. The questionnaire was applied during five working days in March 2017 at meetings where economic training is being conducted. The persons concerned were representatives of the companies operating in Bucharest and its surroundings in various fields for bringing together a wide range of fields of activity in the areas of interest. The questionnaire was applied on paper support and the information was centralized and analyzed by applying the semantic differential scale and the pair comparison method, using the Microsoft Excel application.

### 3 Results and discussion

In order to have an understanding of the companies' perceptions of cluster concept and how they understand the importance of the cluster for the economic development of a region, we analyze the results of their responses to the applied questionnaire.

In table no 2, are presented the variants of the answer to the question of the advantages of setting up a cluster.

**Table 2. Benefits of setting up a cluster**

<b>In order of importance, what do you think are the benefits of setting up a cluster?</b>	Points	Average scores
1. Reducing communication barriers between institutions/companies involved	124	2.067
2. Create common products of interest for the entire network	121	2.017
3. Helps raise the standard of living of society	126	2.100
4. Management bodies collect large amounts of money that have a positive impact on the economy	122	2.033
5. The costs recorded are lower for all members of the network	128	2.133

*Source Designed by authors, based on the own research*

After the data centralization, we observe that responders appreciate first of all that lower costs are recorded for all network members (average score of 2.133), followed by the appreciation that it helps to increase the standard of living of society (average score of 2.100). The essential element to be considered in defining the main ways of action is to create common products of interest for the entire network. Overall, the situation is relatively favourable, with average appreciations ranging from 2 to 3, which corresponds to "very important" levels "non-significant and "indifferent".

**Table 3. Opinion on the financial resources for innovative cluster activities by European funds**

<b>In general, do you think it is good that financial resources for innovative cluster activities come from European funds?</b>	Answers	Percent value
1. Yes, it is good to have a non-reimbursable fundraiser.	18	30%
2. Yes, but it is good to have your own resources.	15	25%
3. No, it is not good to use European funding.	15	25%
4. Other answers	12	20%

*Source Designed by authors, based on the own research*

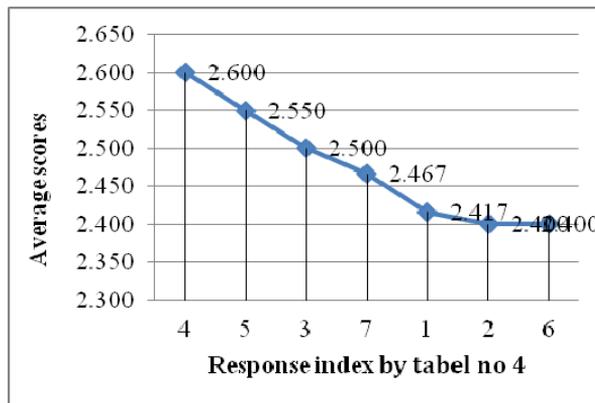
The results demonstrate that the first place in the order of the preferences of the companies' representatives is the appreciation of the financial resources from the European financing (30%), followed by the importance of existence of own resources (25%) and equally with this, European funding disagreement. The provenance of

European funding resources for the innovative activities of the cluster enjoys a favourable appreciation, as evidenced by the value of the percentage determined by the centralization of the data.

**Table 4. The ways to organize a cluster**

<b>3. To what extent do you consider each of the ways in which a cluster is organized to bring maximum benefits?</b>	Points	Average scores
1. Geographic organization: Spatial initiation of clustered economic activities	145	2.417
2. Horizontal organization: example - tour operators or hoteliers	144	2.400
3. Vertical organization: in clusters there may be stages of the production process - the initiator and final executor of the innovations	150	2.500
4. Side organization: - merges different sectors - conglomerate cluster	156	2.600
5. Technological organization: the compatibility of the industries using the same technology - the cluster of tourist booking systems	153	2.550
6. Organization of focus: cluster of companies, concentrated around a center-enterprise, technological center or educational institution	144	2.400
7. Qualitative organization: cooperation for innovation	148	2.467

Source Designed by authors, based on the own research



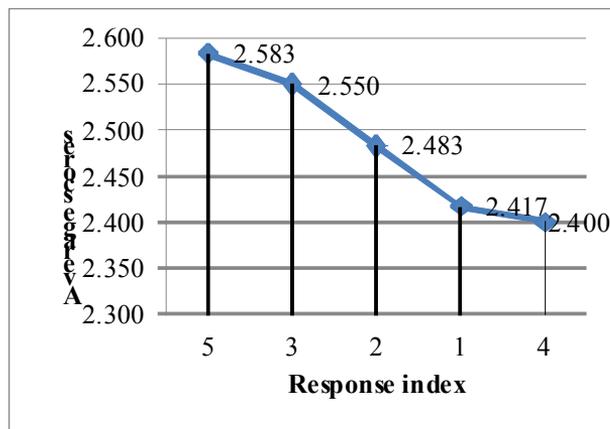
**Figure 2- The ways to organize a cluster in order of importance**

The results show that the first place in the order of appreciation of the entrepreneurs is the lateral organization, followed by the technological organization and vertical organization. Although it is ranked fourth in terms of entrepreneurial appraisals, the qualitative organization is very close to the geographical organization. The last place in the entrepreneurs' assessments is the horizontal organization, which is aligned with the focus organization. Overall, the responders appreciate that each of the organizational modalities of a cluster brings maximum benefits.

Considering what is the most important issue for creating a cluster in a particular area, the responders understand very well the main goal of a cluster, the network and the cooperation (table no 4).

With regard to identifying the key issues for setting up a cluster, 5 variants of answers were addressed:

1. The existence of competitive businesses
2. Favourable geographic location
3. The key partners are focused around
4. High diversity of partners
5. The existence of formal and informal links between cluster partners



**Figure 3. Essential issues for setting up a cluster**

*Source Designed by authors, based on the own research*

When a cluster is established, it is appreciated that the most important aspect identified is the existence of formal and informal links between cluster partners followed closely by the concentration of key partners nearby. Even if the geographical location is essential in the definition of the cluster, our survey respondents rank it on the third place, followed by the existence of the competitive businesses and the high diversity of partners (Figure 3).

One aspect observed in our investigation concerns the possibility of abnormalities in accessing European funds. Thus, three variants of response were specified:

1. It affects excessive bureaucracy
2. It is the settlement of payments
3. Time allocated for project evaluation

In respondents' opinion, the time spent on project evaluation is the most important (average score 2.950), followed by the negative effects of excessive bureaucracy (average score 2.833). Although it is the last place in the evaluations, settlement of payments is important when accessing European funds is a short distance away from the effects of excessive bureaucracy (average score 2.833).

An important aspect of this survey was the level of knowledge of Romanian companies' representatives of the premises of the Europe 2020 strategy.

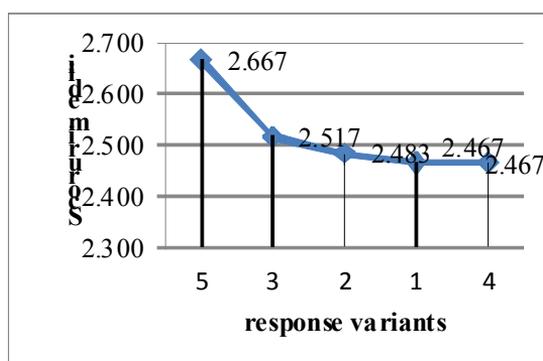
**Table 5. The preconditions for the Europe 2020 strategy**

What are the preconditions for the Europe 2020 strategy?	Answers	Percentage value
1. It is a 10-year EU strategy on the economy of Europe	12	20%
2. Wishes broader coordination of economic and fiscal-budgetary policies	9	15%
3. Supports smart and sustainable economic growth by creating favourable conditions	11	18%
4. Developing regions of the EU Member States equally	10	17%
5. Uniformity of the socio-economic ecosystem	9	15%
6. Do not know / do not answer	9	15%

By summing up the assessments for each of the prerequisites that are specific to the Europe 2020 strategy, it is noted that the premise „is a 10-year European Union strategy for Europe's economy" with 20% of responds is the best known precondition. The premise „supports growth Economic and sustainable economic growth through the creation of favourable conditions" (18%) and „the development of the regions of the EU Member states on an equal footing" (17%), have almost similar answers, while on the last place are equally, the „uniformity of the socio-economic ecosystem" and „wishes to coordinate the economic and fiscal-budgetary policies". A percentage of 15% of respondents does not know the subject or do not respond, which suggests that European strategies are still not sufficiently disseminated at microeconomic level.

The objectives of the European Union are also a necessary criterion to address in the survey, their knowledge of economic operators having an important role in approaching the cluster association. The response variants were numbered from 1 to 5 and presented graphically in Figure 4.

1. Employment
2. Education
3. Research and Innovation
4. Social Inclusion and Poverty Reduction
5. Energy and climate change



**Figure 4. Objectives of the European Union**  
 Source The author's own design

Energy and climate change are considered to be the most important objective of the European Union (average score 2,667), the last being social inclusion and poverty reduction. It is important to note that respondents rated second and third places education and research.

In view of this hierarchy, another problem addressed by this questionnaire, namely the appreciation of the economic environment regarding the cooperation at the level of the innovative cluster in the field of education and administration (table no. 6), naturally continues.

**Table 6 The institutions which can cooperate in setting up an innovative cluster**

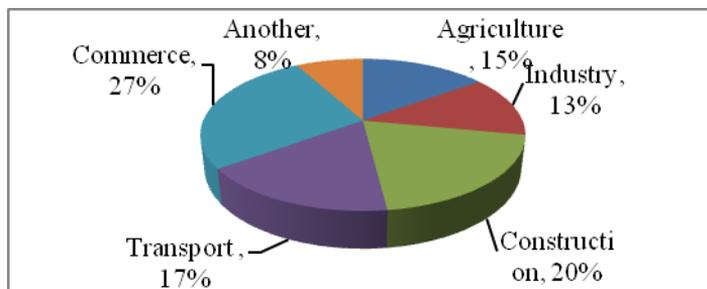
To what extent do you think it is necessary, for the establishment of an innovative cluster, the cooperation of the economic with ...	Points	Average scores
Universities	148	2,467
Research Centers	152	2,533
Government institutions	149	2,483
High schools and vocational schools	145	2,417
Local public administrations	153	2,550

*Source The author's own design*

In order to establish an innovative cluster, the representatives of the societies consider it important to cooperate with the academic environment represented in particular by the research centres, but consider almost equally cooperation with public administrations to be relevant to the cluster.

While keeping the same register, the question of human resource training in line with regional labour market requirements is equally divided among respondents. 33% of respondents are in favour of training, because it is necessary to connect the educational and economic environment, 32% accept the idea, but without losing sight of macroeconomic expectations, while 35% disagree with this idea, considering that everyone should preparing itself according to personal skills.

Taking into account the professional characteristics of the interviewed group, they are involved in different fields of activity (Figure 5) covering a wide range of economic branches, with 30% management and 70% execution functions.



**Figure 5 Areas of activity of the respondents**

*Source authors own design*

Representatives of the surveyed companies are heavily involved in commerce (27%), 20% in construction, 17% in transport, 15% in agriculture, 13% in industry, and 8% in other fields such as human resources, medicine and education.

### **Conclusions**

Market requires the combination of several factors for development. Clusters fits in this process and helps development of the business segment, being helpful in planning group strategies. Clusters are tailored to fit the needs of the institutions that work in a particular area. Currently clusters have achieved and managed to reunite with the strategies of institutions belonging to several regions, making possible macroeconomic clusters. In Romania the cluster concept comes in small steps in company strategies. They want to cooperate with the institutions in the same region to develop competitiveness and regional development. Firms are facing in this process and come up with strategies to promote innovation of new products and services, and helps institutions to implement strategies to inform and improve the region's population. The national development of clusters relies on support from the European grants, coming from large regions already involved in the process. As our research reveals, the dimension of this concept needs to be better understood on the level of Romanian companies and regions in order to integrate in the European strategies of development. The outcome of this study can be extended to a region and a specific field of activity in order to assess the level of understanding of the cluster concept in the researched economic and geographic area. In the field of tourism in Romania, cluster organization although it is at first, the prospects that this form of association can offer to regional tourism development, as demonstrated in other areas of activity, could be included in the development strategies of destination management organizations. New research on the cluster in tourism could help to extend these forms of association, thus contributing to the improvement of the destination marketing strategies.

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# MARKETING STRATEGY - TOOL TO INCREASE CUSTOMER SATISFACTION CASE STUDY OF ROMANIAN COMPANY IN FURNITURE PRODUCTS

Nicoleta Isac,  
Waqar Badshah\*

## Abstract

*Customer satisfaction is a marketing term that measures how products or services supplied by a company meet or surpass a customer's expectation. Customer satisfaction is important because it provides marketers and business owners a metric that they can use to manage and improve their businesses. This paper aims to analyze the main aspects related to customer satisfaction regarding the furniture provided by a Romanian company and includes details regarding the importance of consumer satisfaction and factors that shapes customer preferences. For better results were applied a survey regarding the consumer satisfaction on their products.*

**Keywords:** *Customer satisfaction, consumer behavior, furniture market, market research*

**JEL Classification:** L89, M31

## INTRODUCTION

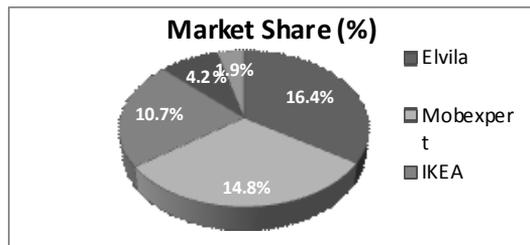
In an evolving green economy, the European woodworking industry plays a key role as the backbone of the bio-economy sector. Furniture production is the most complex activity in the wood industry, being recognized as the most valuable form of wood exploitation in terms of value added to a cube of cubic meters of raw wood. Included in the national competitiveness strategy, the furniture industry is among the ten areas that Romania will focus on by 2020, in order to improve its competitiveness. In 2013, according to data provided by the Italian Center for Industrial Studies (CSIL), Romania ranks 13th in the world for export of furniture, 28th in production and 48th in the consumption of furniture. The country's ranking on a lower spot at consumption was determined by the low purchasing power of the population. According to it, the value of furniture imports was 351.2 million euros, while the value of exports amounted to 1.421 billion euros. In terms of preferences, furniture from solid wood predominates, with matt surfaces or wooden combinations with metal or MDF, handmade products that give the object an extra individuality. Another aspect of furniture buyers is sustainability, which shows that they are no longer so interested in changing furniture from one fashion to another, but investing in durable, quality products.

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The year 2016 brought an upward trend in the living furniture market especially during the first half of the year due to the development of small and medium businesses and with them increased the investments in office buildings and it is necessary to invest automatically in furniture, so as to create the necessary comfort for the employees to carry out their work. In addition, the need for change is always the one that feeds this industry. It can be said that lately the top five producers in the furniture market in Romania have made huge strides in terms of turnover growth, amounting to several billions of euros.



**Figure1. Market shares of Romanian furniture market**  
(Source: economica.net )

In the chart above we can see a comparison of market shares for the top 5 retailers in Romanian market, Elvila being the market leader with a market share of 16.4%. Mobexpert is near us, and we need to consolidate Elvila's brand by create new models of furniture in near future, with attractive design and also with accessible prices. Right now, Elvila addresses to a well-defined market segment, but could attract other categories of customers such as young people, with practical furniture models that can be multifunctional. Innovation is a method by which Elvila can increase its market share. If Elvila brings a new technology to the market, our products will be very well seen on the market and even our competitors may have to buy it technology from us, even if we're competitors.

Many of consumers will become loyal customers, which adds to the company's market share and decreases market share for the company from which they switched. But to achieve this, Elvila need heavily investments in research, and try to find skilled peoples, which is a really challenge in Romanian market.

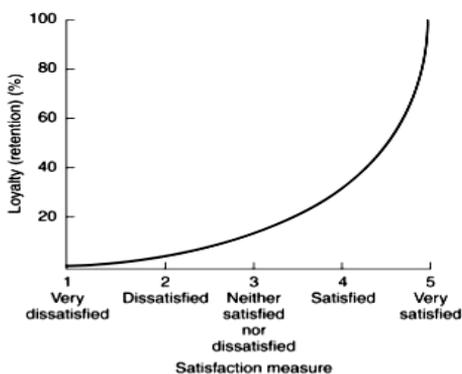
## LITERATURE REVIEW

Customer experience management represents the discipline, methodology and/or process used to comprehensively manage a customer's cross-channel exposure, interaction and transaction with a company, product, brand or service (Schmitt B., 2003). Customer satisfaction has been a subject of great interest to organizations and researchers alike. The principal objective of organizations is to maximize profits and to minimize cost. Profit maximization can be achieved through increase in sales with lesser costs. One of the factors that can help to increase sales is customer satisfaction, because satisfaction leads to customer loyalty recommendation and repeat purchase (Wilson A., Zeithaml V., Bitner M., Gremler D., 2012). The focus on complete customer satisfaction permeates the organization (Center for the Study of Social Policy' 2007). Successful customer service

companies listen to, understand, and respond often in unique and creative ways to the evolving needs and constantly shifting expectations of their customers. These companies establish a clear vision of what superior service is, communicate that vision to employees at every level, and ensure that service quality is personally and positively important to everyone in the organization. They establish concrete standards of service quality and regularly measure themselves against those standards (Zemke R. and Schaaf D., 1989).

The importance customer satisfaction (Farris P., Bendle N., Pfeifer P., Reibstein B., 2010):

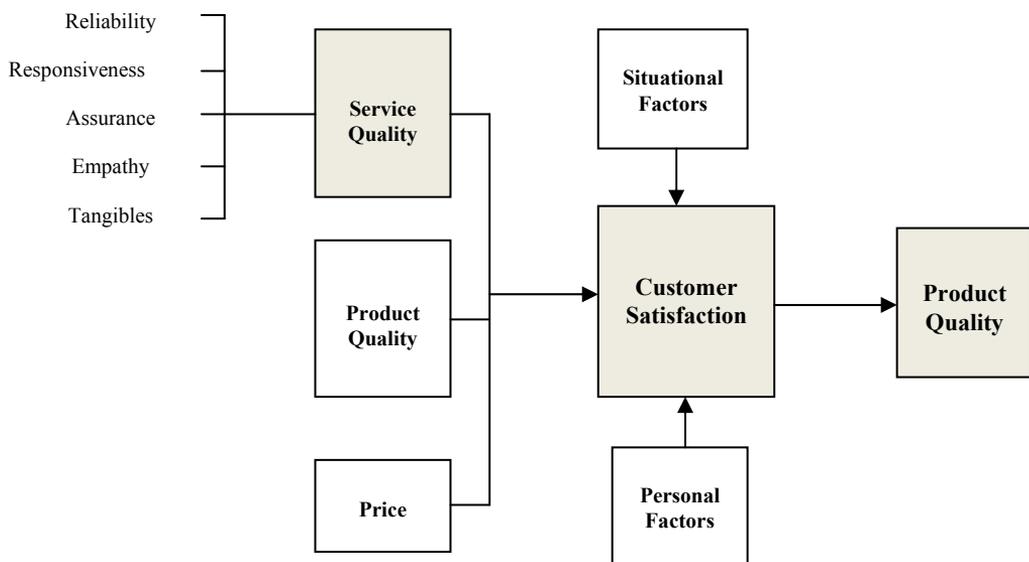
- It's a leading indicator of consumer repurchase intentions and loyalty. Consumer satisfaction is the best indicator of how likely a customer will make a purchase in the future.
- It's a point of differentiation. Creating a unique customer experience is one of the best ways to achieve sustainable growth, particularly in industries that are stagnating (Jan-Piet N., Volker L., Ettore P., Reuben C., 2012).
- Increase customer credibility. The price is not the main reason for the customer to change his mind; it is actually due to the overall poor quality of customer service (Accenture 2010 Global Consumer Research Executive Summary, 2011).
- It increases customer lifetime value. Satisfaction plays a significant role in how much revenue a customer generates for businesses. Successful businesses understand the importance of customer lifetime value.
- It reducing the negatively impacts on the business. It's one thing to lose a customer because they were unhappy. It's another thing completely to lose 20 customers because of some bad word used (Beard R., 2014). To understand customers - what customers are doing and what they're saying - companies need to examine the customers' interactions with their products and services through a different lens and discover where these are falling short.
- It's cheaper to retain customers than acquire new ones. It costs six to seven times more to acquire new customers than it does to retain existing customers. High customer satisfaction translates to customer loyalty, and loyalty is one of the biggest drivers of corporate growth. Customer satisfaction has a positive effect on loyalty, but the magnitude of that effect varies greatly across companies and industries (Cullen R., 2001).



**Fig.2. Relationship between customer satisfaction and loyalty in competitive industries**

(Source: James L. Heskett., W. Earl Sasser Jr., and Leonard A. Schiesinger "The service profit chain" New York, NY: The Free Press, 1997, p.83)

Creating a unique customer experience is one of the best ways to achieve sustainable growth, particularly in industries that are stagnating (Jan-Piet N., Volker L., Ettore P., Reuben C., 2012). To be proactive, companies must gain insights into their customers that reach far beyond survey data (Pacelli M., 2011). Here, a comprehensive view of the customer experience from beginning to end with the opportunity to drill down to understand specific interactions becomes extremely valuable. By identifying repeated patterns, complaints and areas for improvement, companies can focus on and remove the greatest obstacles to the consumer, reduce repeat calls over the same issue, and avert future problems. Companies have the opportunity to understand customer behavior and improve satisfaction rates. Regarding consumer attitude and values, a great deal of advertising attempts to create favorable attitudes, reinforce current positive attitudes or change negative attitudes (McCharty B., 2016). An attitude is a mental position taken towards a topic, a person or an event that influences the holder's feelings, perceptions, learning process and subsequent behavior (Fishbein M., Ajzen I., 1991). Someone who enjoys an advertisement, and other elements of marketing communications, will be more likely to purchase the product. However, the theory of a planned behavior shows that there is generally gap between attitudes and behavior (Ajzen, 1991b). Factors that affect a person's values include the individual's personality, the family, work environment and culture. Broadly, the consumer behavior contains the entire behavior of the end user of material and immaterial goods (Riel W. K., 1990). By appealing basic values, marketers try to convince prospective consumers that the organization's products align with their values (Clow K., Baack D., 2010). The customer becomes the center of activities and processes of the supplying unit and the assessment of its product and organization satisfaction is the primary element that allows us to obtain feedback and improve the quality.



**Figure 3. Customer perceptions of quality and customer satisfaction**

(Source: Parasuraman A., L.L. Berry and V.A. Zeithaml "Understanding measuring and improving service quality: findings from a multiphase research program" The Free Press, 1990)

Consumer behavior determines exchanges between people, and therefore, in the case of the relationship between consumer demand and producer, mutual knowledge is essential both in the purchasing process and in the production of goods and services (Mihut I., Pop M., 1996). The major factors that influence the behavior can be grouped in the following (Arowosoge & Tee, 2010):

- Psychological - motivation, perception, learning, beliefs and attitudes;
- Personal - age and life cycle stage, occupation, economic circumstances, lifestyle, personality and self-concept;
- Social - reference group, family, roles and statuses;
- Cultural-culture subculture and social classes.

One of the important points in furniture selection is usually individual taste. Factors such as being functional, durable aesthetic, usable and economic reflect the product value of the furniture (Oztop H., Erkal S., 2008).

### RESEARCH METHODOLOGY

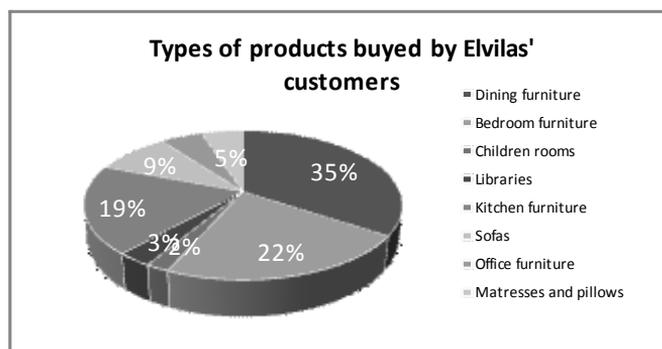
There are probably not better methods to get feedback from your customers than surveys. This may be the only way to get customer feedback, unless they contact you, which is hard to believe. Many customers, even they are satisfied, feel no need to contact the company. A survey has been conducted from October 20 to November 15, 2017, respondents being people who have purchased furniture from the Elvila stores. As method, we used questionnaire, mainly sent by e-mails, also by phone.

The total number of people surveyed was 151, all of them having purchased at least one product from our stores over the past two years. The response rate of the questionnaires sent by email was 85%, a fairly high percentage from our point of view, showing people's interest regarding Elvila.

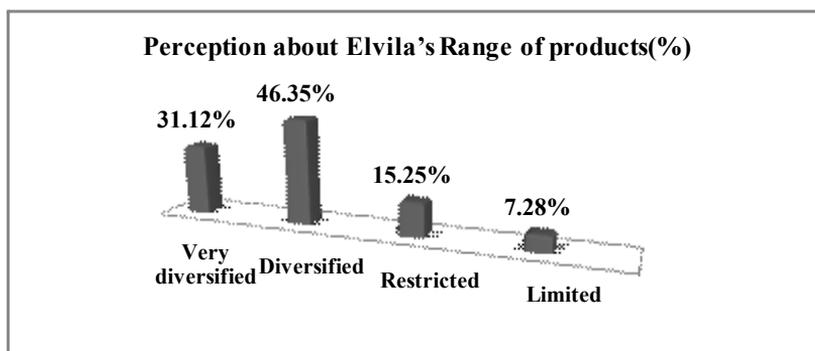
### THE INTERPRETATION OF THE RESULTS

At the question “What type of furniture/ products you have in your household?”, 34% says “Dining furniture”, almost 22% Bedroom furniture, 19% kitchens and 9.9 % sofas.

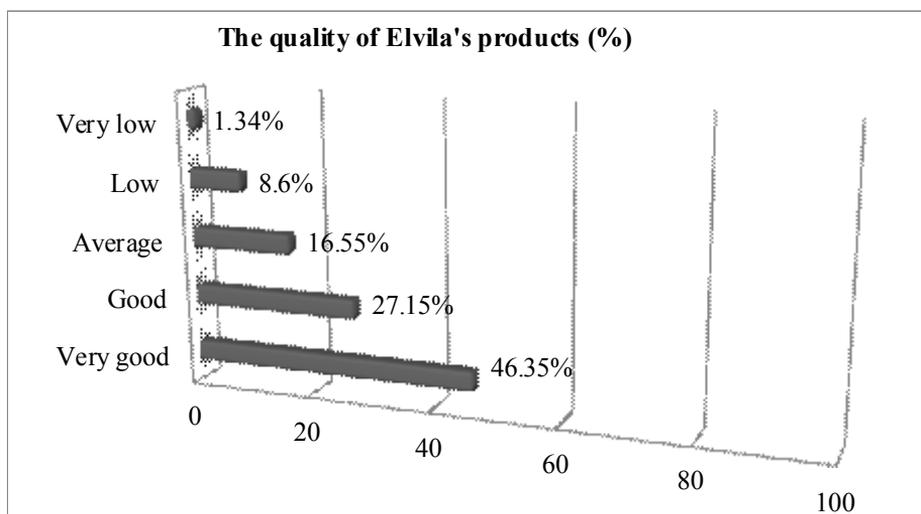
Dining furniture is one of the strength point of Elvila. Made by the best craftsmen in Romania with carefully selected materials, it comes to customers in many styles, from retro and modern to elegant or sophisticated.



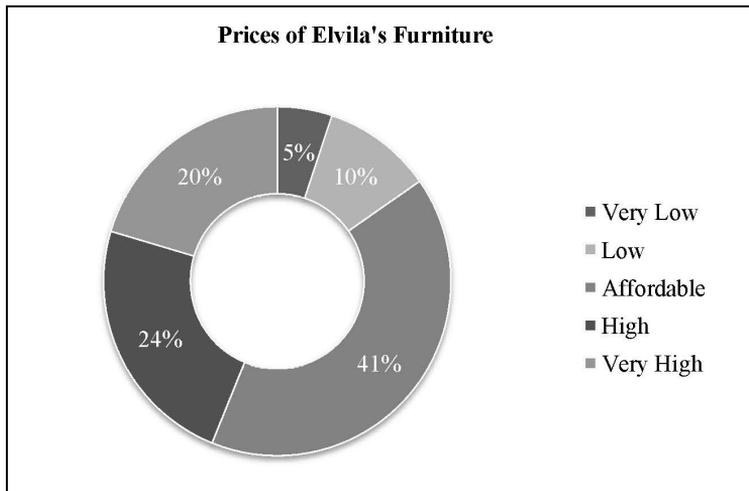
Romanians apartments and houses would be characterized by bright mild colors, simple lines furniture and natural materials used. There quite common furniture is simple geometric forms form the light natural colored woods. Concerning the furniture style there we can mostly find country styles or modern furniture. The most favored materials are wood, glass and sometime chromed metal.



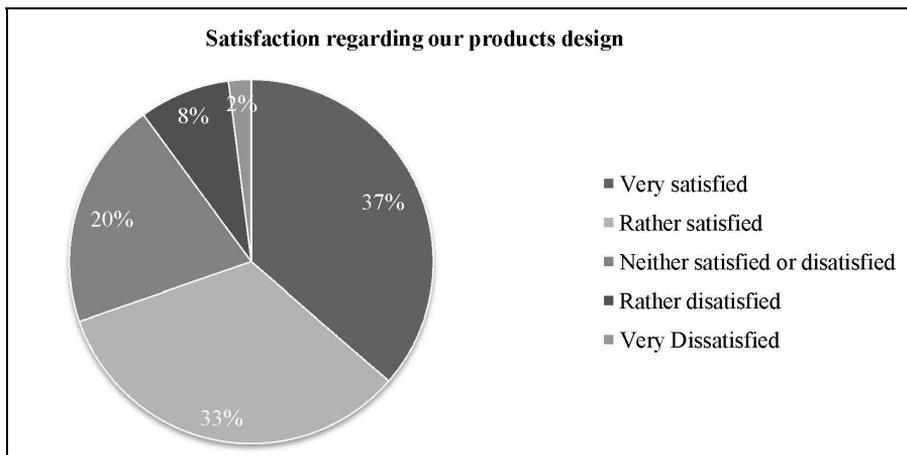
Almost 78% of our customers thinks we have a diversified and very diversified product range. People have different personality and preferences and this result means that Elvila has furniture for all tastes. Also, here we have an interesting result. Above, we saw that the most buyed product is living/ dining furniture. Here we have a percent of 22.53% of our customers who think that we have a limited or restricted range of products. Well, 79% from those 22.53% are customers who purchased in the last 2 years furniture for livings. So, their best-selling product doesn't have a diversified range from our customers point of views. Considering this, they decided to add products of Wenge Furniture. Wenge furniture has a special charm and blends classic with modern. It's easy to integrate its color into a home, it fits well in countless combinations.



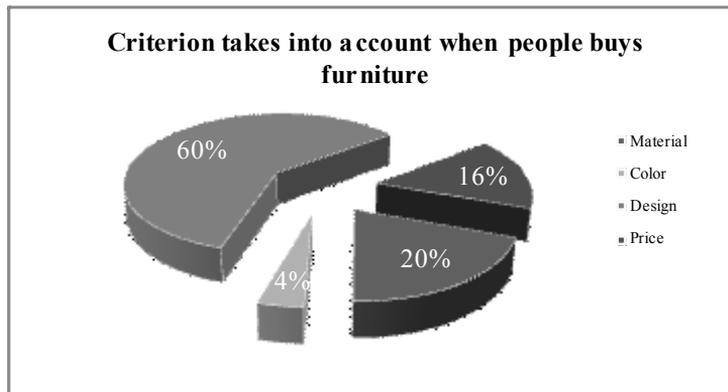
Almost 47% of our respondents considers that Elvila's products have a high standard of quality. The quality of its products remains the first preoccupation of the company. Even the cost of raw materials and utilities have raised in the last years, the measures pursuing by the company are reducing material losses, reducing scrap, reducing defects in after sales services, instead of buying raw materials at lower prices with an inferior quality, who can affect de quality and the value of the finished product. Only with quality products the company became a major player in Romania furniture, creating a very positive image in the market through its quality products.



Quality never comes cheap which is why it is unrealistic to expect a high-quality furniture. Almost half of our respondents, 41%, considers that our prices are affordable. 24% of them considers that we offer products with a high price, and 20% thinks that our furniture is very expensive. They are targeting a segment of the population with incomes above average.



Regarding the products design, 37% of their consumers are very satisfied, compared to 2% and 8% of those which are very dissatisfied and rather dissatisfied. 33% of them considers that they are rather satisfied and almost 20% says that they are neither satisfied or dissatisfied.



60% of our customers told us that the aesthetic aspect is very important when they're choosing furniture, for 20% of them is important from which materials furniture is made, 16% considers the price as being an important criterion taking into account when they decide to buy furniture, and for 4% the color of furniture represents an important aspect when they want to buy products from us.

Almost 60% of our respondents are males, and 40% of them are females. That's important because they have different thinking about furniture and shopping in general. 64% of their customers are between 36 – 55 years, 18% between 26 – 35 years, and 13% over 55 years. That shows us that Elvila customers are mature people who have the financial resources to buy our furniture. The segment that Elvila focuses on is exactly those between 36 and 55 years, financially independent people, with purchasing power of quality furniture. 81% of our clients are employed, which means, somehow, financial stability. They have a source of income that allow them to purchase furniture. 12 % of respondents have their own business, which most likely means they can afford luxury furniture. 5% are students, probably people between the ages of 18 and 25, a percentage not too high or too small.

#### Customer satisfaction matrix

##### Area with problems

Elvila need to diversifie its range of products in terms of living rooms/ dinner furniture. Considering this, they decided to add products the Wenge Furniture. Wenge furniture has a special charm and blends classic with modern. So, in few months, the clients will find a new range of furniture for living rooms.

##### The fidelity engine

Quality, diversity and tradition are three words that define the Elvila's brand. The company should continue to focus on made high quality products, with a modern design, and also continue to develop new range of products.

**Low priorities**

There is no need to work on lowering product prices. Elvila customers are aware that quality furniture will never be very cheap and are willing to pay important amounts for quality products

**Differentiators**

They have custom-made furniture and the clients can benefit from design consultancy from their consultants

**CONCLUSIONS**

With the economic recovery and the development of new technologies, the industry is experiencing a transformation in the sense that consumers want to adapt their homes to security requirements, they want to modernize their homes by incorporating the newest styles of interior design and want to make space more efficient.

- The demand for office developments within the houses will increase. Consumers are increasingly interested in creating a working space within the home. Demand also comes to a mid-growing number of entrepreneurs and free-sellers and their desire to maximize their productivity.
- Multifunctional furniture is gaining more and more ground. In a technological age, dominated in many areas of the world of minimalist style, consumers demand more small, portable, multifunctional furniture. Restricted by the budget most of the time, young people acquire small or medium sized apartments and want to make the space as efficient as possible. For this, they are looking for design projects that include versatile furniture in simple, easy-to-move lines.
- Increase demand for luxury furniture. There is a segment of consumers that was reactivated with economic growth. We are talking about the segment of luxury products. The world luxury furniture market is growing lately and will be on the upward trend in the coming years. Europe has the largest market for luxury furniture, and Romania is not left behind in this chapter.
- More and more furniture customers will choose "green" products. The provision of environmentally friendly furniture comes amid environmental concerns, particularly deforestation. Although eco-friendly furniture is cheaper, demand is on the rise, which also causes manufacturers to offer such products.
- Customers are increasingly interested in online stores. Elvila should start making considerable efforts to develop its actual online platform to a complex one, adding benefits to online buyers such as free shipping or installation.
- The design is very important for consumers so we suggest that in the future the Romanian furniture companies to focus more on traditional design. The unique style should differentiate the local brand from the foreigner one.

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# VENTURING INTO A NEW CULTURE – MAIN CHALLENGES

Roxana Bîrsanu\*

## **Abstract**

*Cultural exchanges have been around since the dawn of humankind; every new millennium and every new century have enriched them with new layers of meaning and complexity. In the past century, intercultural interactions have taken up speed due to an intricate blend of economic, industrial, social and technological factors. Nevertheless, precisely due to their complexity, these relationships have also been defined by a series of challenges that need to be overcome for efficient and mutually beneficial exchanges to be possible. This paper aims to investigate a series of such communication barriers, as well as the mechanisms through which they operate as threats to smooth intercultural communication in the absence of adequate and valid strategies to fight misunderstandings, ambiguity and confusion when two or more cultures come into contact.*

**Keywords:** *intercultural communication, challenges, competence, culture*

**JEL Classification:** Z10

## **1. Introduction**

The world is as diverse as it is large, and yet cultural diversity gives meaning to this immense pool of people, ideas, beliefs, values and artifacts. Exchanges among people belonging to distinct communities, groups and cultures have been a reality since the beginning of humankind, being driven by economic, social, political, educational or technological factors. But the advent of new and fast changing technological inventions in the last decades has made it easier and faster for people to connect all over the world; hence, the increased need for mechanisms necessary to cope effectively and appropriately with the distinct and sometimes downright divergent views on the surrounding world that people have inherited/formed/appropriated. Intercultural communication is the topos where cultural differences are most visible and it is also the place where misinterpretations, stereotyping and ethnocentrism are most likely to occur (cf. Georgiu 2010).

As can be noticed, intercultural interactions have quite a long history, but the concept “intercultural communication” started to receive increasing consideration from researchers in the fields of culture, communication, sociology etc. when it became apparent that cross-cultural differences and solutions on how to manage them effectively needed to be addressed in an organised and coherent manner. Scientists have strived thus to analyse and find answers to questions such as: How is it possible for persons belonging to different cultural backgrounds to communicate effectively? What influence does intercultural interaction have on people? Which is the appropriate behaviour in such

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situations? How do we make ourselves understood when we have to communicate with people with a distinct system of reference in terms of values, customs, beliefs etc.?

American anthropologist Edward T. Hall is credited to be the first who used the concept in one of his seminal books, *The Silent Language* (1959). It was in the seventies that intercultural communication turned into a field of study and an academic discipline in its own right. Its interdisciplinary nature stems from the fact that it relies on and brings together notions and methods of study from various other fields such as anthropology, sociology, cultural studies, psychology, communication and linguistics.

The complexity of the intercultural communication process resides, on the one hand, in the diverse nature of the communication participants – international tourists, exchange students from universities with distinct curricula, business people, migrants and researchers involved in international projects. On the other hand, there is the rich baggage that each of these actors carries with him/her in their interactions with the others: their personal traits (which pertain to an individual's personality, profession, etc.) and their social and historical features which are deeply embedded in their culture (and which they inherited and acquired through education, observation or simply subconscious assimilation). The greatest challenge is for all these communicators to create a communication event in which conflict is reduced to the minimum and the message is carried across successfully.

According to one definition of intercultural communication, it “occurs when a member of one culture produces a message for consumption by a member of another culture. More precisely, intercultural communication involves interaction between people whose cultural perceptions and symbol systems differ enough to influence the communication event” (Samovar et al. 2013, 8). These differences in perceptions and symbol systems and, actually, in all the elements that make up the above-mentioned cultural baggage of a person can turn into just as many stumbling blocks of communication. The degree to which they influence the communication event and the outcome of this influence depend on a number of factors, among which some of the most relevant are the participants' awareness of differences and their openness to deal with them effectively. Hall claims that “Difficulties in intercultural communication are seldom seen for what they are. When it becomes apparent to people of different countries that they are not understanding one another, each tends to blame it on “those foreigners”, on their stupidity, deceit or craziness” (Hall 1959, 15). It is always more convenient to see the others as the source of difference, but however frustrating foreignness may prove to be sometimes, for the sake of successful communication it is useful to also see ourselves as the Other. This change of perspective is a good exercise to embrace differences and to realize that actually our perception on the world and reality does not hold the value of absolute validity.

Nobody can claim that the contact between individuals pertaining to distinct cultures is easy. There is even a similarity-attraction hypothesis, according to which there is a higher likelihood for people to prefer the company of other persons with whom they share important features – hobbies, skills, age, language, beliefs etc. But “since cultural identification by definition categorises people according to the idiosyncratic characteristics which distinguish them from other groups, it follows that cross-cultural interactions occur between individuals who are likely to be dissimilar on at least some of these salient dimensions” (Ward et al. 2005, 9).

In this paper, our aim is to look at a number of issues that may pose a threat to successful intercultural communication. In fact, every aspect in which one's own culture manifests itself fully might represent a potential obstacle to communication across distinct groups/communities/individuals. We should mention that the higher the level of cultural specificity, the higher the likelihood for it to generate if not a cultural clash, at least certain gaps that need to be filled through negotiation and cooperation.

## 2. Analysis

Communication is one of the favouring factors that have ensured the progress of humanity. The exchange of ideas, opinions, techniques, methods and strategies for survival, work and cooperation has greatly contributed to the picture of the world as it is today and will continue to shape its form in the future. However, the communication flow has not always been smooth and has often been disrupted by a number of stumbling blocks. It is a known fact that not even interpersonal communication that occurs even among individuals sharing the same cultural heritage and patterns of behaviour and thinking is devoid of challenges. Imagine how much more challenging communication must be when it occurs among persons pertaining to different cultures!

The challenges of intercultural communication may be organised on levels of relevance, depending on the extent to which they impact the outcome of the communication event and on how readily identifiable they are to communicators. *Verbal communication* holds one of the top positions of relevance in the context of intercultural exchanges and it is also visible at the surface of the communication process. Edward T. Hall expresses clearly why language, one of humans' favourite tools for communication, can simultaneously turn into a barrier: "The paradox of culture is that language, the system most frequently used to describe culture, is by nature poorly adapted to this difficult task. It is too linear, not comprehensive enough, too slow, too limited, too constraint, too unnatural, too much of a product of its own evolution, and too artificial. This means that the writer [in our case, communicators in general] must constantly keep in mind the limitations language places upon him" (1959, 57).

As can be noticed, Hall finds numerous faults with this communication tool which is language and which, paradoxically again, is a human feat by definition. But he is right, since the linguistic barrier can take many forms and can impede communication to varying degrees, from simple misunderstanding and frustration (in casual conversations, when travelling for pleasure, when receiving/offering directions) to diplomatic crises (in case of mistranslation of official documents or cases of misinterpretation).

The obstacle represented by language is defined by multiple factors. One is the mastery of the common language that is supposed to be used by interlocutors. This involves language fields such as grammar, syntax and vocabulary. The use of language adjusted to the audience/interlocutor in terms of vocabulary relevance or education level may increase the chances of a successful exchange of information. Another important element refers to jargon (use of specialised terminology – sports, medicine, technical branches etc.) and slang; these are categories of language that might pose comprehension problems for persons sharing the same language, let alone when there is transfer from one language into another. Again, being aware of the interlocutor's familiarity with the topic

of conversation is of utmost relevance, as is the degree of formality of the interlocutors' relationship in the use of slang. Finally, dialects and accents are also to be considered potential problems in communication. One may have a very good command of English, but when faced with a speaker of Cockney or of some pidgin variety, the interaction may be seriously affected.

Difficulties may also appear depending on whether communicators use spoken or written language. Most problems occur in the case of written language, when expressing formality. Users should be aware that each language has its own standards of expressing it which have to be complied with for effective communication to occur. For instance, the salutation formula in an English business letter includes the term "dear" (as in "Dear Mr. Jones"), which can be used even if the receiver is unknown ("Dear Sir/Madam"). The same term is unacceptable, though, in formal correspondence in Romanian, Spanish or French.

While verbal communication may be a barrier with a certain degree of expectancy (everyone knows the level to which they master a foreign language and, if there is no knowledge of the interaction language, they know that a translator/interpreter is needed), the situation is different in the case of *nonverbal communication*. This form of communication comprises many components: body language, proxemics, haptics, chronemics, but also seating arrangements, furniture, or elements such as pauses and silence. In the case of nonverbal communication, the difficulty resides in the variability of the meaning assigned to all the above-mentioned elements across cultures. The variability scale is very wide, and ranges from positive to negative interpretations attributed to the same nonverbal cue. A relevant example is the victory sign, which has positive connotations in the USA and negative ones in some Arab countries. To further complicate things, the interpretation of the V-sign differs drastically in the UK, where it is positive if the palm faces the receiver and negative if the palm faces the signer.

While pauses have more or less international values (we pause when we want to emphasize a point or a concept, when we want the content to set in with the audience or when we signal that we expect our interlocutor's intervention), silence has more complex and nuanced values. Western cultures do not have a high appreciation of silence, and it is often quite difficult to assign a certain meaning to it, since it can signal lack of interest or agreement, but also anger or contempt. Not the same can be said about most Asian cultures, where silence is used as a highly valued component of communication. "One of the basic building blocks of competence, both linguistic and cultural, is knowing when to speak in a particular community. Therefore, to understand where and when to be silent, and the meaning attached to silence, is to gain a keen insight into the fundamental structure of communication in that world" (Braithwaite qtd. in Samovar et al. 2013, 302).

In Japan, for instance, communicators are expected to infer much of the meaning of an exchange from what is left unsaid. Silence is also considered a useful strategy for avoiding conflict and awkward situations, but also instils credibility in the listeners, since it is believed that someone who speaks a lot does so in order to fill up space with useless information. Yet another interpretation of silence prevalent in Eastern societies is also common to Nordic ones, which use absence of talking and interfering as a sign of interest and respect. Imagine, thus, an encounter between an Indian and a Spaniard; their interaction would end up in complete failure unless they do their homework in

intercultural specificity beforehand. Awareness of silence patterns is of particular relevance in business, where faux pas caused by such examples of ignorance in cultural issues might completely break the deal.

The relationship and the depth of knowledge we have of our own culture with its inherent value systems and beliefs dictates to a certain degree the way we perceive other cultures with their own systems, forms of manifestation and patterns of behaviour. Whenever people are not certain about the worth of their own inherited cultural values, they tend to regard members of another cultural community with the same degree of uncertainty. In order to make sense of their own universe and of that of others, they resort to stereotypes. *Stereotyping* is assigning attributes to groups of people based on general assumptions and presuppositions related to features and behaviours of those other groups.

The formation of stereotypes is influenced by a variety of factors such as mass media, family and friends or education experience. There are positive sides to stereotyping, which create expectations and help us cope with new situations – all Germans are hardworking, all neurosurgeons are bright, old people are more patient. But, when it is taken to the extreme, stereotyping generates discrimination, contempt and difficulties in establishing solid relationships. An example of stereotype which has been quite recently generated and which is mentioned by Patel et al. refers to the image reflected on all Muslims by the tragic events of September 11<sup>th</sup> at the Twin Towers of New York. In the aftermath of the tragedy, a new stereotype of Muslims emerged according to which they are all terrorists, with unpleasant consequences for them, from customs checks to immigration-related issues (2011, 144). Many times, intercultural interactions start off from such stereotypes and the personal experience in an intercultural context may confirm, generate or destroy such preconceived opinions.

Ready-formed and inflexible views of a distinct cultural system may take quite a radical turn under the form of *ethnocentrism*, a filter through which people judge the non-members of the groups to which they belong. Ethnocentrism is “the notion that one’s own culture is superior to any other. It is the idea that other cultures should be measured by the degree to which they live up to our cultural standards. We are ethnocentric when we view other cultures through the narrow lens of our own culture or social position” (Nanda and Warms qtd. in Samovar et al. 2013, 239). Obviously, adopting an ethnocentric perspective while trying to get engaged in intercultural interactions not only impedes a successful outcome of the communication event, but may also prevent it from happening altogether.

Ethnocentrism is deemed to have three levels: positive, negative and radical. The first one, which reflects a person’s preference for one’s own culture, is natural and may even prove to have beneficial results; foreigners might be tempted to with and become better acquainted with the specifics of a culture with such loyal members. The negative aspect reflects the tendency towards the assessment of other cultures; one’s own culture is used as a unit of measurement for any other societies/communities. Finally, the radical form of ethnocentrism is most detrimental to any attempts at intercultural communication and collaboration, since the adepts of this ethnocentric view consider not only that their culture is superior to any other, but that they are of the opinion that their own system of values, practices, behaviours, attitudes should also be adopted by other societies/groups.

Finally, another important roadblock to effective intercultural communication that should be addressed is *culture shock*, which is actually a natural phenomenon that accompanies any first encounter with the realities of a distinct culture. The term was first introduced by anthropologist Kalervo Oberg in the sixties who approached it as a “malady”, a negative reaction to a new and unpleasant environment or/and situation. However, since the sixties research on the topic has much advanced, and nowadays culture shock is no longer considered to be a reaction/phenomenon to fear, but to expect as part of the process of adjustment to a new culture.

However, culture shock is not easy to deal with, especially when you have to function in a new cultural/social/linguistic environment, and can seriously affect interaction with your culturally others at least in the first stages. Marx mentions the following reactions as part of the culture shock experience: anxiety, frustration, inadequate social conduct, sense of isolation, confusion about one’s own values and, in more extreme cases, depression (1999, 5).

The field literature mentions four basic stages of culture shock: honeymoon, the hostility stage, the recovery stage and the adjustment. The above-mentioned reactions usually occur in the second stage, after the initial euphoria of coming into contact with a different culture wears out and leaves room for the sense of frustration and being excluded by the members of the group/culture/society in which you wish to integrate. It is the stage when one subconsciously cancels its social and emotional availability to interact with the members of the new cultural group and looks for members of the in-group to which s/he belongs.

Culture shock affects all categories of persons involved in intercultural interactions – exchange students and staff, business people, tourists, migrants and refugees. The impact of culture shock has varying degrees (from the severe ones, which end up in the inability to adjust to the new environment to milder forms) and a variable duration (from a few weeks to several years). However, there are solutions for overcoming culture shock faster, so that one can fully enjoy the great experience of interacting with a culturally distinct group/community. Here are some suggestions: people should do their homework before leaving and try to find as much information on the new culture as possible; it is useful to expect culture shock to happen, irrespective of the location and the (geographical or cultural) distance between one’s own culture and the new one; persons experiencing this should give themselves time to adjust and should not engage in too many work projects as a means to isolate themselves from the challenges of the new environment; and finally, the positive aspect of culture shock should not be ignored – once you experience it, there are better chances to adapt faster to other culturally different situations and encounters.

### **3. Conclusions**

Venturing into a new culture is an exciting experience which has, however, its challenges and which represents a potential for frustration, anxiety and awkwardness. Before departing on this adventure, one should be prepared that they would be faced with barriers in terms of unknown and potentially strange behaviour patterns and customs, language, nonverbal communication styles and the inevitable stress that accompanies the transfer to a new environment and new communication partners.

That is why it is of paramount importance to be well aware of two main issues that define any intercultural exchange: that differences do exist and are visible at various levels of everyday life (from interpersonal interactions to symbols, practices and mores that define the two interacting cultures), and that these differences are likely to cause a series of ‘symptoms’, most of them uncomfortable, but which are part of the process of adaptation and acceptance. This process benefits immensely the acquisition of intercultural communication competence skills. “A competent intercultural communicator is one who has the ability to interact effectively and appropriately with members of another linguistic-cultural background on their own terms” (Samovar et al 2010, 384).

In order to manage this effective and appropriate interaction in an intercultural context, one should improve (or even acquire) a series of communication competences. Understanding one’s own culture is one of the most important, as we all have this tendency to look at another society/community through the lens of our own cultural heritage. Another skill refers to increasing the awareness of one’s own communication style, which is actually the manner in which one presents oneself to others, but also how one reacts to Otherness in all its complexity. This form of self-awareness helps people monitor themselves and control their behaviour in a manner that shows sensitivity and acceptance of differences.

Practicing empathy is also a step forward toward becoming interculturally competent. This translates into the emotional availability to think as the Other, to adopt his/her perspective of the world and accommodate it into one’s own cultural framework. Active listening, which is a means to demonstrate respect and consideration to the other communicators’ opinions and behaviours, as well as the adoption of a flexible communication style are other strategies that can turn any potentially difficult and challenging intercultural encounter into a successful and enriching experience.

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# THE DOMINICAN REPUBLIC – SAMPLING THE CARIBBEAN CULTURE

Alexandra Mărginean\*

## Abstract

*This analysis starts from an instance of relaxation tourism in the Dominican Republic, interpreting some facts and realities that I had immediate, direct contact with about this country and bearing on Caribbean leisure culture at large. In this, I am resorting to notions from intercultural theory, both from what are considered to be traditional insights, such as Florence Kluckhohn and Geert Hofstede's, and to more modern ones from Fons Trompenaars. The study takes into account aspects regarding the weather and climate, accommodation units, eating habits and activities, i.e. Edgar Schein's artifacts, interpreted through an intercultural criticism lens. Hence, the Dominican culture appears to be a "being" and affective one, prone to indulgence, having a low uncertainty avoidance index, a relaxed attitude to time, short term orientation and an external locus of control. The coupling of these features relies on examples and illustrations. The conclusions sum up the Dominican and Caribbean profile.*

**Keywords:** *tourism, Caribbean culture, indulgence, synchronicity, external locus of control*

**JEL Classification:** Z10

This paper is based on a firsthand encounter with the culture of the Dominican Republic, which I had as a result of relaxation tourism in the area, more precisely an exotic holiday I went on in the spring of 2016 to a five-star lodging unit in Punta Cana. It was an eleven-day, all-inclusive package to a hotel located on the beach. The idea of this study is to analyze the Dominican experience and culture taking into account the intercultural dimensions introduced by Fons Trompenaars, drawing, as well, on Florence Kluckhohn and Geert Hofstede, as well as minding the layered model of a culture put forth by Edgar Schein's definitions. The analysis will also reveal the main characteristics of the leisure Caribbean culture at large, supported with examples and illustrations from the realities that I have noticed.

In Schein's model, the outer, most easily noticeable stratum of a culture is made of its artifacts, such as elements of the physical environment (architecture and art), "technology and products", in other words, the palpable realities, including "clothing, manners of address, emotional displays [...] myths and stories [...] observable rituals and ceremonies" etc. (Schein, 2004: 26). We shall primarily discuss some of these and the first impressions that I had once I made contact with them. The pleasant aspect about the weather, more precisely the tropical rainforest climate there, is that it maintains around 28 degrees average during the day, which for those Europeans visiting it in spring or early

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autumn makes a pleasant change, avoiding the extremely high temperatures of hot summer days as well as the low ones in their countries of origin, which the tourists searching for a relaxation holiday go there with the thought of avoiding in the first place. The increased air humidity is something that a portion of the European tourists might need adjusting to, as some people complain that it induces a state of sleepiness or even fatigue and difficulty breathing, rendering the impression that the air is denser than the one we are accustomed to. However, we need to say that the extra dampness of the air is mild and quite bearable, being far from the jungle-like atmosphere that it is sometimes exaggeratedly presented as, and displays the benefits brought by hydration to one's skin. The sudden rains in the February – March – April season clear the air without disturbing the beach activities due to their fleeting nature. The typical beach scape is a narrower strip of sand than the one we usually encounter in our country or Europe in general, as it is closely lined with a clump of palm trees. The sand itself is cream white and much smoother, resulting from ground-up limestone known under the name of coral sand (*The White Sands of Punta Cana*, 2007).

The bungalow system of accommodation units is popular in the Dominican Republic, a proneness to simplicity which makes the five-star hotels a bit less luxurious than one would expect in terms of in-room provisions, if one looks at certain aspects. The space is as generous as it should be, with tall ceilings, huge king-size beds, a large bathroom with a sizeable bathtub with Jacuzzi, toiletries, two sinks etc. for the best type of premium suites. The balcony is a bit smaller than anticipated, though, there is no elevator, as the buildings are typically not taller than four or five floors, there is no carpeting on the floor, either inside or outside the rooms, and the door is rather old wood poorly repainted.

The Dominicans are relaxed and that is visible firstly in their typical walk, which is slow, almost lazy – I have seldom seen a Dominican hurry, not even when lower rank and about to deliver a service. Overall, their gestures and bodily movements are performed at a slower speed than the Europeans', and with a certain smoothness, as if one gesture were not clearly delimited from the other, but they were connected in a continuum, which sometimes makes the people look as if they were engaged in a dance. They prefer colorful clothes, which look merry and vibrant on their skin that is usually of various shades of brown or black. Their stress-free attitude is also manifest in the way they smile, widely, showing their teeth, not merely with their lips as Europeans tend to do. Thus, the broad smiles do not appear to be only about marketing, but are part of a lifestyle and attitude to living. In the evening, especially, we could see on the resort premises that, while the locals were listening, next to the tourists, to bands performing, they were singing along with the visitors, or even moving to the music to encourage them to dance as well. Inside the restaurants, waiters sometimes brought water or cutlery and dish items waltzing, pirouetting around, trying to engage the tourists standing up from the tables after having eaten, or merely to make them smile. I saw one or two instances when the waiters took pictures with the tourists. Overall, they were getting involved and helpful with children at the table above and beyond their basic job responsibilities (like seating and serving): they asked the children their name, tossed their hair etc. When they met or talked to each other they did so in an open, sometimes loud manner, acknowledging the

interlocutor enthusiastically. The general feel was that of people coming from an affective culture, showing their emotions overtly: “Members of cultures which are affectively neutral do not telegraph their feelings but keep them carefully controlled and subdued. In contrast, in cultures high on affectivity people show their feelings plainly by laughing, smiling, grimacing, scowling and gesturing; they attempt to find immediate outlets for their feelings” (Trompenaars and Hampden-Turner, 1997: 69).

Concerning the cuisine, we may say that the Dominicans eat healthily, mostly salads, vegetables (especially beans) fruits, cereals (mostly rice and corn), cheeses, fish and meats. One ingredient that is used extensively and is unlike what Europe is accustomed to is the plantains, a type of less-sweet bananas that they use as either a vegetarian main course or a side dish – especially mashed, in *mangú*, or doubly fried, as in *tostones – platanos frito*. An interesting food-related aspect, which differs from European perception, is that eating is guilt-free. The Dominicans expect one to eat well, and regard food interest, especially while one is on this type of relaxation, exotic vacation, as natural and welcome. They even encourage tourists to sample everything and expect the ingestion of significant amounts, which in Europe would be frowned upon. There is, I would say, a respect for this activity which should be dedicated a fair interval of time, be enjoyed and even relished, which is the normal attitude to it. Women enjoy their meals as thoroughly as men, there is no expectation that they had better mind what and how much they eat. There is also, in connection with food rather than any other service, an attitude of not only benevolence and attention, but also empathy and tacit understanding and agreement, to cater for the needs of the customers by going the extra mile. It may as well stem, unfortunately, from the poverty of regular people in the country, but it is also a trait of the leisure cultures. The hotel provided a variety of five types of restaurants, the diversity and prominence of which shows the important part played by this particular satisfaction of the senses in the Caribbean. These were the following: an Asian-inspired one (Himitsu), the Italian Portofino, the Mexican El Patio, a French one (Bordeaux), two Grills – a Seaside and a Barefoot, with, respectively, seafood and snacks of all kinds – and, my favorite, the World Café. The first four offered dinner, whereas the Grills and the World Café were open for meals almost any time of the day (with short breaks destined for cleaning and food preparation and display). Also, at the Coco Café coffee shop, one could enjoy various assortments of coffee-based drinks and sweets around the clock. The Preferred Club members – the guests who stayed in Preferred Club rooms, the most luxurious from the resort – enjoyed some extra facilities and services, such as, for instance, the possibility of serving breakfast and lunch at the Seaside Grill, a reserved swimming-pool and beach area with more qualitative towels, of a different shade and texture, and more comfortable beach long chairs etc.

The available services and attitudes that we have mentioned above (and the realities that we are still about to look into) correlate with Florence Kluckhohn’s “being” cultures, oriented more on welfare and positive affect, whose representatives work in order to be able to enjoy the pleasures of life, rather than with the “doing” cultures, in which people tend to be workaholics (Nunez, Nunez and Popma, 2014: 49-51). Also, taking into account what we have said so far, from Minkov’s indulgence-restraint pair of concepts used to classify cultures, the indulgence profile, i.e. “enjoying life and having

fun” (Hofstede and Minkov, 2010: 281) clearly suits the Dominican stance in particular, and the Caribbean one in general, as it is moreover visible from the table showing the high indulgence indexes displayed by countries such as Venezuela (100), Mexico (97), Puerto Rico (90) and El Salvador (89) (*ibidem*: 282). The index of 20 for Romania (*ibidem*: 284) would make the indulgence of the Dominican Republic striking to us, as it did to me. Also, “Happiness, subjective health, and optimism about the future [...]” (*ibidem*: 289) are better in indulgent cultures, and, we find out from the study *Cultures and Organizations. Software of the Mind*, indulgence combines with an enhanced “perception of personal life control”, “higher importance of leisure”, of having friends and bonding, with positivity, a loose and less hierarchized society, extroversion and a less rigid discipline (*ibidem*: 291).

The leisure culture sees its effects everywhere, starting from the organization of services to the activities available and people’s attitude and mentality. Some of this mentality is manifest in the way that the Dominicans smile all the time or envisage food consumption and primary needs, as discussed above. It is also visible in the destination management services, i.e. the activities that could be purchased onsite, in the resort, at a special desk. These offer various active pastimes, either inside the resort or outside it. For a certain fee, one can enjoy trips to various islands, to natural pools, snorkeling and diving, rides on boats or catamarans, to caves, which may all include open bars and lunches on lobster or traditional food, tastings of traditional products such as coffee or cocoa, beach horseback riding, contact with sea life such as stingrays and sharks (which have been made inoffensive), parties or organized events. Another type are the spa ocean trips, which may include massages and specific treatments, or floating on an air bed pushed by someone about. For the adventurous tourists, there is the zip line or the boogies, and for those who like spending time in the middle of nature there is the *hacienda* experience or the visits to the natural reserves. Finally, the party people can have a night in the city of Santo Domingo at a concert or what is known as the *Coco Bongo* – a night show of colorful lights, music and acrobatics in the air above the crowd. Inside the resort, tourists could enjoy massages, of which there are a lot of types, as well as shopping in the boutiques on the precinct, not to mention making up a scrapbook with pictures taken by a professional in various spots over the area.

On this vacation, the smiling and the lighthearted attitude was the norm, which made us feel at ease, being able to disconnect from the tight schedules and busy life that we came from. However, the difference between our initially preoccupied air and their relaxation was something that they immediately noticed and labeled as foreign to them. Upon our arrival, we spoke very politely with the bellboy and the reception staff, but we were kind of anxious to get to the room to leave our luggage and change into lighter, more suitable clothes. While we were waiting at the second reception, for the Preferred Club members, I overheard the young man who helped us with the bags tell the young female receptionist in Spanish that he found our attitude “*como no se, como dura*”. His tone was not disrespectful, he was rather pensive and, most of all, surprised. I realized that his (and perhaps their) perception of our state – the fact that we were tired and a bit less relaxed than they had expected, given our prolonged airplane time (a three hour flight to Paris followed by a nine-hour transatlantic flight), and the twenty-minute ride in the

van with clothes on that were too heavy for the climate we had arrived in – caused him to perceive our energy as “harsh”. In other words, what for a European or American would have seemed exactly what it was – exhaustion – was to him a potential sign of dissatisfaction from our part or, at the extreme, of a too demanding or unpleasant personality. This difference arose precisely from the culture gap between a people who are used to smiling all the time, refusing to be pressed for anything, in comparison with a less relaxed one, accustomed to be on the clock, depend on schedules and worry about solving the practical matters first. We were also a bit late at the hotel check-in, which we were aware of, unlike, however, the hotel staff, who seemed oblivious to the matter, as if the notion of a schedule did not exist at all.

The Dominicans’ lax perception of time was apparent in other circumstances as well, even more clearly. Upon our arrival, we arranged an appointment with the hotel destination management guide for nine o’clock the next morning. During this meeting, he would present the activities and trips available, and we could plan, schedule and purchase some or all of them for our stay. As opposed to us, who were there ten minutes before nine, he came a quarter of an hour past. However, having already noticed the relaxation mode that permeated all attitudes and actions around us, we were by that time expecting that. Punctuality was not a priority. To give another example, at the restaurants, the breaks the staff took for cleaning and preparations varied both in terms of moment and duration.

To come back to the destination management representative, he was very professional in giving us numerous details about the trips and answering patiently and gladly to all our questions. He also acted with the awareness that for tourists time mattered and that we perceived time differently. He knew that holiday-goers having a limited number of days there should be able to plan for their vacation making the most of it, in case they wanted a more active approach instead of just beach time. For instance, he warned us about the fact that some excursions needed to be opted for a day in advance. Moreover, he got involved in planning the actual sequence of the trips along with us after he found out which ones we were interested in, which was a more personalized or customized approach and meant going the extra mile. In what concerns time perceptions, his attitude mixed his origin-culture, background approach, with the visiting-culture, opposite imprint and the necessities of the context, proving fluidity and adaptability, which were due to him having had contacts with different mentalities as part of his job.

Viewing time as fluid went with multitasking as well. He was able to help a colleague while we were looking at the flyers and booklet with the trips, he answered a call and went inside the office for a bit in order to solve another assignment. All this, however, occurred at precisely the right moments so as not to offend us or steal his focus away from us when we needed it. I also noticed similar attitudes of cross-talks among the waiters and reception staff as well. We could say that the Dominicans favor synchronicity rather than sequentiality (Trompenaars and Hampden-Turner, 1997: 123-5). The respect that the locals have for tourism determines them to adapt to European and American time perceptions, but there is an underlying assumption that differs from these, and it is visible that they are making an effort to adjust to a way of being that is not their own or what they are accustomed to.

Borrowing a charger adaptor occasioned a concrete illustration of their short term orientation. We told the destination management local guide that we needed to buy one and asked where we could find it. He told us that his colleague at the Coco Café could help and we went to him. He brought an unboxed adaptor and gave it to us. We expressed our wish to buy it, which put him in difficulty. He insisted on us simply taking it and using it, but we needed to be clear on the status of the action – was it a borrowing, and for how long could we keep it? As we asked these questions, he seemed more and more puzzled, and it became clear to us that he only meant to solve the problem without thinking about the future or additional implications: when and where we can/should return it, how long could we keep it, if we should give him some money for the service or not. He did not really care to plan or worry for these things, straighten them out or stress about them. His horizon of expectations was reduced to the then and there.

Being in-tune with and respectful towards nature, harmonizing oneself with and adapting to its pace and manifestations, rather than trying to control it, or what has been termed as “external locus of control” (*ibidem*: 141-2) could be inferred as a characteristic of the Dominican people from a number of situations. In the dolphin Explorer program, besides forbidding jewelry, they also disallowed make-up, and the hair had to be loose (not even a scrunchie was permitted): “This is how you go to them” the destination management representative told us, showing the picture of a teenage girl who had none of the above, and which suggested that the right attitude while around the mammals was the innocence of childhood. Also, the local representative convinced us to buy the Explorer version of the visit (as opposed to the simpler and less expensive one of the tour, which we were initially set to purchase, and which was also the one advertised by the agency in Romania), by describing the more complex interaction with the dolphins that we would benefit from in this way. The way he talked about the mammals showed awareness of and concern for their welfare and protection, a certain respect which points to the same tendency of being in harmony with nature rather than merely exploiting it.

Another aspect that showed the love of nature and fauna was the way the whole property was designed as a natural park, with alleys and a big area of green spaces, where various trees, flowers and plants were labeled. Moreover, there were various species of birds, but also some types of small lizards hanging around, which the locals seemed to find as natural, whereas to us the proximity with these animals appeared a bit unusual.

Thirdly, harmony with natural phenomena and the elements was demonstrated by the way in which, when they had to cancel a pool concert one night because of an incoming storm, they reorganized immediately, and the attitude was a very calm and relaxed one, as if it just could not be helped, and such occurrences in which they lacked control over nature and were capable and willing to adapt and adjust the program according to the weather were normal and to be expected. There was no trace of stress in their manner, and the naturalness with which they approached the context, as a given, suggested somehow that the tourists should have the same attitude. On guided tours in Europe with travel agencies, tourists become extremely impatient and disgruntled if a visit is cancelled, or when the schedule is merely altered, even when this occurs as a result of a weather constraint, an accident or an unforeseen circumstance. This goes to show that Europeans have, in general, an “internal locus of control” (*ibidem*: 141), as well

as a higher uncertainty avoidance index than the Caribbean population: “people from strong uncertainty avoidance cultures may come across to others as busy, fidgety, emotional, aggressive, or suspicious and [...] people from weak uncertainty avoidance countries to others may give the impression of being dull, quiet, easygoing, indolent, controlled, or lazy” (Hofstede and Minkov, 2010: 197). We are planners and doing cultures, whereas they are a being culture, going with the flow and rhythms of nature.

Last but not least, we need to make an observation about the Dominicans’ outlook on status. We encountered there the reality of tipping practices, as somewhat expected of tourists, not necessarily more than in other places, but more visibly, comparatively. If in Europe tips are implicit and service providers assume that the customer knows that and needs not be reminded of it, in The Dominican this expectation was accompanied by a clear, suggestive physical posture and cues denoting it: taking an upright position with hands by one’s body and the chin up. These signals were overt and straightforward outside the resort – once inside, a different attitude, which did not involve this manifestation, was displayed by the staff. Another aspect of the matter would be that respect is in strong correlation with financial potency: the service providers show respect for the tourist with money. Generally speaking, ascribed status seems to matter more. For instance, the tourist guide on the Santo Domingo tour belonged to an influential family in the city, which seemed to bring him a lot of signs of deference from the people he met with as we went about our visit. However, granting respect to the economically advantaged appears to be a case of overlap between ascribed and achieved status, a situation described by Trompenaars and Hampden-Turner: “Ascribing and achieving can be exclusive of each other, but are not necessarily so. Your achieving can drive your ascribing, as when you ‘land winners’. Or ascribing can drive achieving” (Trompenaars and Hampden-Turner, 1997: 108). The Dominicans’ attitude does not denote that they care much *how* the people acquired their money, but rather the fact of the matter itself.

Summing up all the aspects that we have introduced in this paper, we may say that the overall attitude predominant in Dominican life and culture is relaxation and respect for leisure. Features deriving from this profile are manifest in their activities, interests and approaches. Attitudes to eating reveal an indulgent people, much more guilt-free in relation to this reality than the Europeans. Also, the Dominicans tend to be affective people, preferring to display positive emotions. In what regards the perception of time, they are also synchronic, multitaskers and short-term oriented. They display a tremendous respect and pride for nature and tend to seek harmonization and synchronicity with it, having an external locus of control. All these pertain to the outline of the Caribbean leisure-oriented culture at large.

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# FISCAL POLICY – MAIN COMPONENT OF DURABLE DEVELOPMENT STRATEGY

Iuliana Militaru\*

## Abstract

*Any strategy of durable (economic) development must acquit itself, first and foremost, of basic need of actually yielding economic development. For this, a mix of economic policies are needed and used, most important being fiscal policy and monetary policy: the former is needed for building up aggregate demand, the latter, for expanding aggregate supply. As for the unavoidable (potential) drawbacks – i.e., of using both of this policies at once (and some others besides) –, monetary inflation is at hand, and maybe just a little more harmful as (the need of) inflating real economy itself; for, in the end – and this is not necessarily always understood –, what any durable development strategy amounts to is ‘pilfering’ some of future’s resources for bolstering the present, with same resources.*

**Keywords:** *fiscal policy, durable development, fiscal pressure*

**JEL Classification:** E62, H21

As for *durable development*, relevant literature – written inclusively *before* and *after* unravelling of an economic crisis (i.e. 2008 crisis) – does *not* provide us, on the whole, with a definition, even less with a complete theory, but with *a system* of convergent points of view, sufficient for a build-up of a number of plausible *perspectives* for putting together a durable development strategy.

Therefore, durable development must be understood as being, in the same time:

1. The type of development which allows satisfaction of i.e. a nation’s needs, *in the long term*, in other words paving the way for the ‘insurance’ of that nation’s *future*<sup>1</sup>;
2. Type of development which allows satisfaction of *current* needs of a community – i.e. nation/country –, without compromising ability of *future* generations sprung from the midst of that community to satisfy *their* own needs as well<sup>2</sup>.

In this perspective, fiscal policy can and should be used as component of a durable development strategy, especially directly, by stimulating economic growth – i.e. *moderately* sized one, that is one whose level is high *enough* to make it able to (re)shape

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<sup>1</sup> Dobrescu, E., Albu, L.L. (2005), *Dezvoltarea durabilă în România (modele și scenarii pe termen mediu și lung)*, Editura Expert, București, p. 25.

<sup>2</sup> World Commission on Environment and Development (WCED), *Our Common Future* (New York: Oxford University Press, 1987), 8.

– for the better – the *growing* society. Thus, it is needed both to identify the mechanism through which fiscal policy yields economic growth and (possible) methods of producing a *moderate* economic growth.

Value of economic growth is *understood* – for real economy – to equate (i.e. to identify *with*) value of growth of goods and services output, given index used to measure economic growth is GDP, used, in fact, to compute **added value** of real economy – namely, in principle, *net* value of *all* activities which make up real economy.

Inputs – analysing the *process* of economic growth – used to *produce* economic growth are production factors used by real economy, namely:

**A. Primary production factors**, namely:

- I) capital – materialised in the form of capital assets, made up of all previously produced – i.e. by the same economy – goods (material assets – machinery, tools, etc. and immaterial assets – patents, brands, software, etc.) and used for obtaining added value (at national level);
- II) labour (that can be defined, in physical terms, as human *mechanical work*);
- III) knowledge (i.e., human capital).

**B. Derived production factors** – *produced* by/in the very *structure* of (market) economy, structure energized by organizational and managerial processes and procedures, namely:

- IV) (efficient) resource allocation;
- V) scale economy.

To sum it up, *output* of goods and services can grow, in principle, through (main) use of one of the following two alternative courses of action:

- a) Rise of production process *yield* – at all levels, *starting* from firm level, building up at (economic) branch level and, finally, ‘converting’ into economic *growth* at (national) real economy level;
- b) Broadening of material and energy base of economic growth, respectively of quantity of used production factors – most important ones being, in this respect:
  - i. Capital assets;
  - ii. Number of employees;
  - iii. Amount of knowledge.

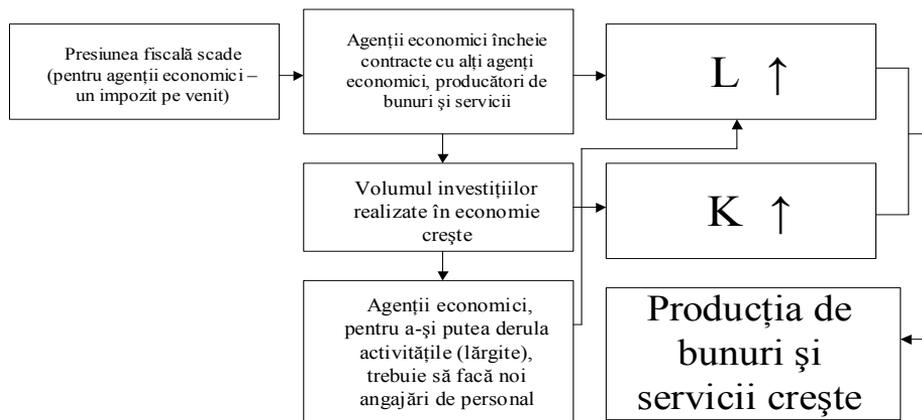
Rise of production process yield, or broadening of *real* basis of economic growth is the result (in first instance), or the driving force (in the second one) of *aggregate offer* (long term) growth. In other words, economic growth can *only* be obtained through rise in aggregate offer of goods and services yielded by real economy.

In this point, we must underline fiscal policy spurs on economic growth not only as it is, itself, applied in realm of *production* and *commerce* of/with goods and services, but through its influence on labour market: a reduction of fiscal pressure in this realm allows firms to earn (i.e., to retain) a certain *extra* amount of financial funds, on one hand, and makes them *dependent* on (continuous) recruiting of personnel, in order to further business development, on the other hand.

As a result, a fiscal policy that ‘puts up with’ both employers and employees has the capacity to rise aggregate offer; in relevant literature several representations of *these*

relationships and influences between fiscal policy and economic growth can be found, one adequate example being the following:

### The influence of dwindling fiscal pressure on good and services output growth



Source: Predescu, A. (2013), *Impozitarea veniturilor și creșterea economică*, Editura Universitară, București, p. 59.

Technically speaking, a low(er) fiscal pressure is to be obtained – globally, that is at *economy* level – through emission of a *fiscal impulse*, respectively of most important effect of public administration decision-making as to choosing between following practical alternatives of *fiscal action-taking* needed for reaching the goal of rise in aggregate demand:

- I. a decrease of tax rate as regards one or more taxes (decrease valid as well for labour market taxation)
- II. rise in government spending
- III. rise of transfer payments.

Size of fiscal impulse *should* be computed in such a manner that entities in charge of fiscal policy (state institutions, public administration, etc.) will aim, in the same time, at reaching of following goals:

- (1) Firstly, ('ideal' dimensioning of) *average* total expenditure size taxpayers must deal with on a daily basis;
- (2) Secondly, (desired) level of *national income* – i.e., a level which allows/stimulates ongoing recording of effective economic growth (ideal being using fiscal policy for and through use of whole labour *potential* as available between the limits of real economy).

Total value of financial funds<sup>3</sup> obtained through rise in government spending – used *de facto* for rise in aggregate demand – is (sensibly) higher than total value of government spending *proper*, amplitude of financial funds used by government for its spending being

<sup>3</sup> Whose value can be computed thus: variation of government spending x multiplier (itself determinable using following formula – multiplier =  $1/(1-c)$ , where  $c$  = marginal propensity to consume (MPC)).

subjected to a multiplication process, generated by the indirect – albeit massive – impact of firms' *consumption*, as reaction to state actions, in its quality of 'supreme' firm.

Thus, initial (fiscal) impulse emitted by government administration – through an increase in *its* spending - is, in this case, amplified by market economy mechanisms; but, on the other hand, there is, too, the risk of something going awry - i.e. inflation, if rising spending are excessively high relative to (initial) *price level* as regards market economy as a whole.

Another way of emitting a fiscal impulse is reducing tax rates, for one or more – or all – taxes. Unlike rising government spending, reducing tax rates produces a rise in consumption, in a two-step dynamics: in first step, a rise in consumption proper is recorded<sup>4</sup>, which, through a multiplication process similar to the one described above, rises to a superior level<sup>5</sup>.

A rise in volume of transfer payments (i.e. social security (state) expenses) also emits a fiscal impulse, useful for stimulating growth of global consumption (in other words, of aggregate demand); but, in this case, the result is consumption grows less<sup>6</sup> than transfer payments themselves, due to savings effect: some of those funds will find their way – i.e. in Romanian economy – in banking system, or in financial market.

Whichever method is used in order to emit a fiscal impulse, however, it is less important than *utility* of such action – which is simply inconceivable but *relative* to ultimate goal of *any* economic policy, that is nothing else, at least in a market economy, than experiencing *useful* and *effective* economic growth in the long term.

For this, and, in fact, whatever main objective of fiscal policy might be, this very policy will be prepared, anywhere a market economy exists, starting from most favorable alternative of (fiscal) materialization of all principles of fiscal policy – one having to choose between direct income taxation and indirect income taxation as *main method* of collection of fiscal revenues in the benefit of public budget.

If, as it seems logical and 'fair' to us, strategy for economic growth is based on (strategic) principle of *growth of* national (i.e. vernacular) *economy* as means for obtaining economic growth in the same (geographic) space, then, according to relevant literature as well, we cannot but observe that – at least for and in a market economy – it is highly recommended to mainly use *direct* income taxation, simultaneously with using consumption itself as a tool for economic growth – i.e. inclusively with use of indirect income taxation –, with the caveat consumption must *not* be *overtaxed*, so that, finally, economic growth may be got hold of<sup>7</sup>.

But, fiscal policy is not the only tool available for public authorities, and, furthermore, cannot be and will not be used exclusively, but only in its quality of component of a *policy mix* – one of most important *other* policy being monetary policy.

Impulses emitted through monetary policy use, must be admitted, expose economy to risk of (rise in) inflation – it must be observed, a case similar to that of fiscal policy

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<sup>4</sup> Its formula being:  $c \times$  amplitude of tax reduction (in monetary units).

<sup>5</sup> Whose value can be computed using following formula: initial growth of consumption  $\times$  multiplier.

<sup>6</sup> This can be determined using following formula:  $c \times$  transfer payments growth (in monetary units).

<sup>7</sup> Auerbach, Alan J. (2006), *The Future of Capital Income Taxation*, University of California, Berkeley; Predescu, A. (2013), *Impozitarea veniturilor și creșterea economică*, Editura Universitară, București.

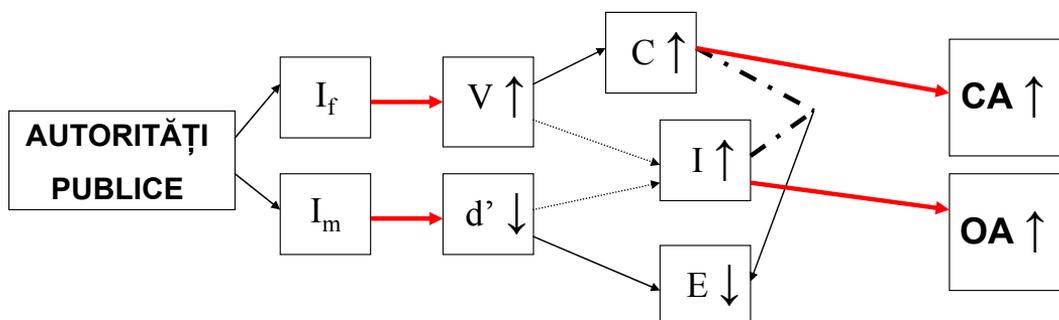
use, and, not to be unsaid, more probable than in the latter case; however, it must be heavily underlined main function (and utility) of monetary impulse – whose mechanism aims, firstly, at growth of *aggregate supply* (i.e. of real economy proper), through:

1. simulation of rise in MPI (marginal propensity to invest), on one hand, and
2. a well-engineered ‘discouragement’ of saving behaviour, on the other hand.

Consumption growth *must*, therefore, be correlated to a decrease of interest rate; for this to be accomplished, it must not be overlooked that, once an economy reaches a point close to that of maximum degree of use of (all) its resources, probability that monetary impulse – in fact, that *any* impulse – will boost inflation rises sharply.

What is at work here is a *trade-off* – to be more precise, a very important reality (and, as such, for this paper, conclusion): economic growth cannot be sustained, in the long term, with a high degree of probability, without (some) rise in inflation; all that policy makers – and, especially, policy *users* – can choose is the level up to which it may reasonably be considered inflation, to put it plainly, *it's worth it*, without damaging (i.e. too much) both economy and society.

The mechanism of simultaneously *using* fiscal and monetary impulses – in a market economy –, described in this paper, is adequately illustrated in relevant literature, *exempli gratia*<sup>8</sup>:



#### Mechanism of (simultaneously) using fiscal and monetary impulses

Source: Predescu, A. (2013), *Impozitarea veniturilor și creșterea economică*, Editura Universitară, București, p. 75.

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<sup>8</sup> Where  $I_f$  = fiscal impulse,  $I_m$  = monetary impulse,  $C$  = consumption,  $E$  = savings,  $V$  = incomes,  $CA$  = aggregate demand and  $OA$  = aggregate offer.

# NATIONAL CULTURE PERCEPTION FROM THE DESTINATION COUNTRY SEEN FROM THE IMMIGRANTS' PERSPECTIVE

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## **Abstract:**

*The national culture within a community in the destination country brings together the moral values, principles and education of the worldwide employees; giving a certain authenticity to the diaspora in which the immigrants activate. Thus may be defined as the totality of beliefs, values, behavior rules and norms shared by all organization members.*

*In this article we proposed ourselves to analyze if there is a relationship between the ethnic and cultural immigrant's behavior and its responsibility, as well as the influence he/she brings from his/her country of origin and also the modality of integration within their host or destination country.*

*In order to establish the research objectives, a quality focus-type research has been conducted, on a number of 22 Romanian immigrants, domiciled in Focsani (Vrancea County) with several years of experience regards migration in Italy.*

**Keywords:** inter-culturalism, acculturation, immigrants, labor force, national culture.

**JEL Classification:** F66, J6, J7.

## **Introduction**

The national culture term achieved, as time passed by, different valences and approaches in the specific literature.

The national culture brought by each and every foreign employee within the destination country community has a significant contribution to the differences in attitude and behavior among employees, this differences being given by the age, education, gender, profession but also of the immigrants religion.

The society's progress evolution is a main result of the changes and cultural differences between different world nations from different continents. The concept of national culture originates from the „cultural exchange or loan” of the labor force migration.

Nowadays, the idea of communities „personality” is desired to be depicted, communities in which immigrants from different countries activate, the accent being stressed on their different cultures exchange, respectively European, American or Asian.

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### 1. The national culture in the acceptance of labor force migration

In the destination country, the immigrants benefit from an improvement of their financial situation and living standards, of a social and economic stability. For the host or destination country migration implies ethnic, social, moral, religious, cultural, economic and often political changes.

The national culture has its genesis in the historical evolution of the „culture” term from a linguistic, genetic, psychological, sociological, religious and political perspective.

In the author’s opinion (Hofstede,1996), the individual programming starts within the family and it is continued in school, in certain social groups, collectivities, entourage, working place, social life and one’s own family.<sup>1</sup>

It may be said that both concepts, namely communication and national culture are collected in the literature, as two methods of representation of human interactions. The term "culture" falls on the organization's structure, while the "communication" falls on the entire process that contributes to the efficiency of the economic activity.

The final task of the communities in the country of destination is to understand their own national culture, to work, to live, to assimilate and other cultures; the ultimate goal being to optimize the economic activity growth. The globalization of the last decades of the twentieth century led to the expansion of the phenomenon of immigration, favoring cultural exchanges, to the development of the business environment, as well as to the expansion of multinational companies.

Therefore, people from different nations were forced to immigrate and work in other countries than those of origin.

The migrations speeding up has been determined in particular by the economic factor, this being a result of the economic and financial development of the countries of destination preferred by worldwide immigrants.

The less economical developed countries, that are „cheap labor force providers” have a strong disadvantage in regards of the gaps that occur at the regional level, compared to other countries (if we had to take the example of the European Union); gaps which stand out in particular in the labor market in various areas of the country.<sup>2</sup>

Many immigrants choose to live in other countries for better jobs, better paid ones, professional and significantly financial opportunities, and a higher lifestyle than the one from their own country. Migration is often linked to the economic, social, political, religious and ethnic situation from the country of origin of the immigrant.

The author (Popescu, M, 2012) considers that all individuals once they arrive in a new country, go through a period of euphoria at making contact with the new culture (emotional, full of significance), only afterwards suffering a cultural shock.<sup>3</sup>

It is important to make clear that in the national and worldwide literature there is not a standalone theory to explain the immigrations human behavior and to give a

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<sup>1</sup> Hofstede G., *Managementul structurilor multiculturale*, Editura Economica, Bucuresti, 1996, p. 21.

<sup>2</sup> Cristian, Elena, Raluca; Moise, Elena; Dârzan, Mihaela, *A Contemporary Approach On Migration*, Romanian Economic and Business Review (REBE) , Editura Pro Universitaria, 2013, Vol. 8, Special Issue 3.1, pp. 9-17, <http://www.rebe.rau.ro>

<sup>3</sup> Popescu, Manoela, *Comunicare și cultura organizațională. O abordare de business*, Editura Pro Universitaria, Bucuresti, 2012, p. 183.

plausible explanation of the causes leading to the general spreading of the immigration phenomenon from around the world.

The cultural exchanges that occur between immigrants and the country of destination are essential for the understanding of cultures and in order to optimize the communication within the communities in which they live.

The communication that takes place within the Organization, both on the inside and on the outside requires a series of adaptations and cultural transformations from the persons involved in the process. In this situation it is very difficult to establish a relationship between the main causes which determine or influence the phenomenon of immigration and cultural ethical behavior of the immigrant being in the country of destination.

## 2. Context of the appearance of the immigrations phenomenon

In order to be able to create an impression on the consequences of the exodus of immigration in recent decades, we must go back in history and try to analyze briefly the genesis of the migration theory. Angela Rogojanu (2009) believes that since the Middle Ages has circulated the theory of a population dominated by religious morality, centered on a key pillar of balance and social hygiene- the family.<sup>4</sup> Adjusting the number of population was strictly of moral nature, being thus a populistic universal theory. The same author, believes that Adam Smith was among the first authors who launched a theory of population, namely that "mankind is multiplied in relation to the means of subsistence, even among civilized societies. The lack of means of subsistence clearly affects the bottom layer of the population, while limiting the population growth implied practices incompatible with the morals and ethics of the times".<sup>5</sup>

Adam Smith considered that workers and employers have opposing interests: "workers will obtain as much, and patrons to give as little as possible. The former are willing to unite in order to increase the salary, and the latter in order to decrease it".<sup>6</sup>

Hereby we may consider that the misunderstandings between the employer and the employee do not agree with the ethics or moral values from the time of Adam Smith. Later, the reasons which have led Thomas Robert Malthus investigate a problem quite sensible for those periods were those reasons to conduct a research on the progress of the society in which he lived.<sup>7</sup>

Thus, Thomas Robert Malthus comes to the conclusion that there is a relationship between freedom and lack of accountability of the human species to give a new life: "wherever there is freedom, the multiplication of the species acts, and the exceeding result it is then removed due to lack of space and food". Malthus's man lives with the fear of an impossible and unnecessary choice "between reason and sensibility", "between virtue and vice", "driven by the ethics and moral conduct" of those times in which he lived.<sup>8</sup>

<sup>4</sup> Rogojanu, Angela (2009), *Stăpânii ideilor economice. Epoca modernă din secolul al XVIII-lea până la mijlocul secolului al XIX-lea*, Volumul II, Editura Economică, București; p. 68

<sup>5</sup> Rogojanu, Angela (2009), *Stăpânii ideilor economice. Epoca modernă din secolul al XVIII-lea până la mijlocul secolului al XIX-lea*, Volumul II, Editura Economică, București; pp. 152-159.

<sup>6</sup> Smith, Adam (1962), *Avuția națiunilor. Cercetare asupra naturii și cauzelor ei*, vol. I, Editura Academiei RPR, București, p. 87

<sup>7</sup> Malthus, Thomas, Robert (1992), *Eseu asupra principiului populației*, Editura Științifică, București, p. 17.

<sup>8</sup> *Idem*, p. 25.

Years later, the one who solved the final theory of Thomas Robert Malthus, by giving a simple answer for the purpose of understanding the freedom of the individual, was Charles Gide "nature has placed in man an instinct that, if left at ease, destines it to hunger, death and vice. And this fact-suffering without knowing the cause-gives the key to societies history and their miseries. "<sup>9</sup>

Organizational culture is lived in labor practices, in social relations, in the free time usage, in developing the systems of representation and its values, in aspirations, projects and action. It is envisioned as a mediator by whose means people seek to exceed their condition and create a new world, and the organizations to developing at a sustained pace<sup>10</sup>.

Another author interested in labor implications on the development of the society was Pierre-Guillaume-Frédéric Le Play, who represented the conservative tendency of social Catholicism, close in some of ideas with the economic liberalism, but opposed to the socialism. According to the latter, the work is "the main auxiliary of moral order" because in order to work, people either controlled their natural inclinations, or exceeded "this inclination, natural in a way, that made them avoid any unpleasant effort".

According to the author Rogojanu Angela (2009), people had to become aware of a fundamental truth: welfare without the support of the moral value was not sufficient for them. People needed both moral and welfare, otherwise risking to be overwhelmed by the corruption and being as prey for the decline.<sup>11</sup>

Studies conducted on the international immigration demonstrate that there is a direct correlation, positive and strong in relation to the education received by the immigrant within his/her family and the medium and long-term economic growth in their country of destination; this is due to the fact that „highly qualified and educated immigrants " are a long-term gain for the host country.

The authors Connell and Buchan (2011), believe that, till present times far, there is no officially general definition of the notion of ethics of international labor recruitment or also other international agreements or immigrants recruiting practices.<sup>12</sup>

Cehan Irina (2013) considers that the phenomenon of international immigration becomes a matter of morals which are not associated only with recruiting, but with the general state of a country that presents some inadequacies and suffering, the responsibility for the decision in this context adapting from the individual to the social reality around him, and nation responsibility.<sup>13</sup>

Unfortunately for the nations concerned, the phenomenon of immigration presents not only benefits for the countries of origin and destination. Migration causes competition on the labor market, causing social conflicts between streams of immigrants and the local population of the host country; often in violation of the rules of conduct, ethics and morals.

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<sup>9</sup> Gide, Charles (1926), *Istoria doctrinelor economice de la fiziocrați până astăzi*, Editura Casei Școalelor, București, p. 175

<sup>10</sup> Pettinger R., *Organizational behavior*, Macmillan Press LTD, London, 2000, pp. 186-196.

<sup>11</sup> Rogojanu, Angela (2009), *Stăpânii ideilor economice. Epoca modernă din secolul al XVIII-lea până la mijlocul secolului al XIX-lea*, Volumul II, Editura Economică, București; pp. 158.

<sup>12</sup> Connell, John; Buchan, James (2011), "The impossible dream? Codes of practice and the international migration of skilled health workers", *World Medical and Health Policy*, volume 3, Issue 3, pp. 4-16.

<sup>13</sup> Cehan, Irina, *Migrația medicilor romani și etica recrutării internaționale*, "Revista română de sociologie", Serie Noua, Anul XXIV, Nr. 3-4, București, 2013, p. 333.

### **3. Case study- Romanian immigrants from Italy**

In order to observe the integration degree of the immigrants and their correspondent responsibility, as well as the influence that they bring from their countries of origin, a focus-type group quantitative research has been conducted between July and August of 2018 in Focsani (Vrancea County).

The research has been conducted on a number of 22 people, Romanian immigrants aged between 24-52 years, domiciled in Focsani (Vrancea County); all having high school and university studies. All interviewed persons work in Italy, having several years of experience in migration.

In total there are 10 questions (Q1-Q10) that strictly refer to the immigrant's social-cultural degree of integration, as well as their relationship with the local community from Italy.

The group of 22 persons was divided in two smaller groups, function of their destination country, respectively a number of 14 people with high school education and a group of 8 people with university studies who work in Italy.

The participants selected for the quantitative research fulfill a series of common characteristics: they are Romanian citizens established in Italy, have a working place considered to be relatively stable on the country of destination labor market, have a qualification on the labor market, education (high school and university studies) and possess several years of experience in migration. On the whole interview duration there were no judgments issued or influence on the group's answers. During the whole interview period, the Romanian immigrants were given the opportunity to share their own experience from Italy.

The questions addressed to the group of 22 persons, with the scope of observing the Romanian immigrants degree of integration abroad, as well as the influence that they „leave as national culture” in the host country were the following:

- Q1.** What are the things that you like or liked since you established yourself abroad?
- Q2.** What are the things that you do not like or are bothered by presently in the host country?
- Q3.** How well do you know the language, culture, traditions from the host country?
- Q4.** How are your relationships with the diaspora or Romanian community in the area?
- Q5.** How do you appreciate the foreign employer's behavior towards the Romanian employees?
- Q6.** Have you ever felt discriminated on your working place, on the street or within a collectivity?
- Q7.** Do you consider that you integrated yourself well abroad (I hereby refer to the working relationship with your colleagues, with the locals or other foreign communities)?
- Q8.** In your opinion, what do you consider to be the main reason function of which the Romanians choose their immigration country?
- Q9.** Do you think that for the past years the foreign citizens' attitude towards the Romanian citizens has changed?

**Q10.** Do you consider that for all your time period in Italy you managed to influence from an ethnic, cultural, religious (manner) the local (foreign) community from there?

The interviews were focused on the scope and reasons of the decisions to immigrate and work abroad, the mode and degree of integrating of the immigrants in the destination country, their relationships with the communities and Romanian diaspora, the intention to come back to the country as well as the perception that the local community has in which activates on the activity performed by them.

### 3.1. Results of the focus group research on the Romanian immigrants from Italy

The results and interview answers of the focus-type group research for the 22 persons (immigrants) established in Italy were cumulated and can be found in the table below.

The 22 Romanian persons (immigrants) established in Italy answered to the 10 questions (Q1-Q10) regarding their degree of integrating from a socio-cultural point of view.

**Table. 1.1. The cumulated opinion of the Romanian immigrants that left for work in Spain and Italy function of their answers**

- a lot of young people declare themselves discontent with the salary conditions in Romania. „In the country I was not able to live a decent life with my nurse salary... Everything is very expensive and the Romanian medical system is down...”
- one of the main reasons was reuniting the family „because I wanted to be with my parents, they are established in Italy since 12 years ago and also, part of my relatives are here”
- they were supported (advised) to go to Italy for work and helped to find a position or a place to live „if it wasn't for my uncles and cousins I probably never had the courage to go and find a working place... It meant a lot to me that I was not here by myself, a stranger among strangers”
- they adapt easily to any working place (accepting also less paid jobs) or finding a new place to live “not even here are you able to find a job, I work in agriculture in gathering oranges and I make no more than 30-35 de Euros/day, there were times when I made 50 Euros/day...In Sicily, the salaries are not so big but unlike Romania, you can't even compare...”
- they are enthusiastic and declare themselves optimistic about the new country and do not intent to come back to their country soon “I like life here, in Italy all is well organized from the bureaucratic point of view, the salaries are function of the efforts made. Here you feel that you live in a civilized country, kids have access to education and healthcare. Romania remains my country of origin, but Italy is my second country...”
- they do not consider themselves discriminated abroad and integrated themselves very well in the „new adoption country” “I never felt discriminated, the important thing is to make yourself respected and to gain their trust. If you work and you are honest, they accept and respect you...”

<p>- they avoid as much as possible to enlarge their Romanian friends circle “Romanians do not help one another (except if they know each other or have obligations. I prefer having Italian friends. The Romanian community from here it is now that united, as elsewhere, you can easily recognize Romanians by the time spent in bars and loud “manele music”. Many times, due to the fact that there are many fights within the Romanian community, I prefer to speak Italian and pretend I do not know them ...”</p>
<p>- declare themselves profoundly disappointed of the living standards in Romania “every time I come home I spend a lot, have no idea on what...” “have the impression that everybody tries to steal from you...I don’t know how you guys can manage in the country...nothing changed in these past years in Romania...when I come back for my vacation, during the summer, I feel like crying when I see some poor people...what are the authorities doing for you?!”</p>
<p>- in time, they integrated very well in the community; making friends within the Italian community “I did not feel discriminated by the Italians. I have Romanian and other nationality friends...The boss (Italian) respects my work and family, my wife works with me at the hotel, my younger daughter is attending high school classes in Rome and the older one is studying tourism at the university. We are in Rome since 15 years ago and feel at home...”</p>
<p>- on their turn, Romanian immigrants help the ones left at home stressing the idea of “worn path” “I cannot help all, part asked me for loaning money...we work daylight for every penny earned. Here life is not as easy as the ones in the country think, most of them I helped in time to come here....we were also supported...”</p>
<p>- some declared that the attitude of the foreign citizens changed dramatically in the behavior towards the Romanian citizens. „When they first hire you they are suspicious, but if you are fair and mind your business you have no problems...they understand people are different, depends on your luck...anyway everyday on the news you hear something about the Romanians that somebody stole, killed, committed an accident, etc. ...”</p>
<p>- regarding integration from the cultural and linguistically point of view they declared that they integrated well and relatively fast „the language is easy to learn, they are like us (Latin)... I am orthodox, but on Sunday I go to the Catholic Church, for me is nothing different, we have the same holidays, and Christmas and Easter...in 10 years I got accustomed to their traditions. The first year was very hard, but as years pass by you feel like one of them...”</p>
<p>- regarding the influence degree that the Romanian community has over the population from the host country, Italy „the Italian is not interested to speak your language, I tell them stories about our history, on the culture, I show them Internet pictures of my country. There are many nationalities that live in their country and as long as you do your job and respect them you have no problems. They’re curious, just that.....”</p>
<p>- regarding the influence degree that the Romanian community has over the population from the host country, Italy „every time I cook “sarmale” or something else in our kitchen, I serve my Italian neighbors. They like Romanian food. On Christmas, last year, when I was not in Romania, I celebrated it in Bergamo and invited them to eat together. They like a lot when I tell them about our traditions and they’re curious...my sister is married to an Italian citizen....my brother-in-law as well as his parents went to Romania several times, we integrated well and they got used to us...”</p>

Source: Own data processing

The Romanians from Italy, together with the Albanians, are forming one of the largest communities of immigrants from Italy, constituting a labor force in agriculture and construction fields. The Romanians from Italy are not always positive, regarded as a collective group in major cities, such as Rome, Naples or Milan; but analyzed individually are quite responsible and hard working.

As a result of the interviews we may observe that generally, part of the Romanians from Italy try to distance themselves from the “Romanian of abroad” image that very often, in the immigrant’s vision is “selfish, envious and secretive, and even thief under certain circumstances”.

The Italians, who are quite nationalists, perceive most of the Romanians, as some quite sociable people, who quickly befriend with the Italian community and who have a relatively rich culture.

In the perception of the Romanian immigrants the Italians got accustomed to foreigners in the past decades, although a small part of the local community considers some of them deprived of entrepreneurial spirit, and being more concerned about obtaining a safe income on a long-term basis. On the other hand, our Romanians see Italy as a beautiful country, both economically and culturally; a civilized country with a history as rich and commune on a realm full of professional opportunities.

„Our conationals make efforts to better integrate in the host country, blending into a collectivity, and thoroughly mastering the language, traditions-customs, and culture. As a result of social studies and research undertaken on certain countries receiving annually a large number of foreign immigrants, it has been shown that host populations assess immigrants depending on two dimensions: warmly (esteem, respect, compassion) and in reference to the professional competence of the immigrant, in accordance with its studies”.<sup>14</sup>

Integration of the Romanians in Italy is measured by learning the Italian language, their access to the labor market, to acquiring habits, traditions and culture of the Italian communities. Among the immigrants, an increasingly commonly used term is acculturation, through this understanding, “a group of immigrants from various countries of the world, from different cultures coming to an initial form of contact with the local population. Following this contact, both cultures are interwoven and borrow various basic elements: common expressions, gestures, preferences, tastes for different services, products, bringing visible changes in the behavior of each participant to the process”.<sup>15</sup>

Groups from different cultural backgrounds and their individual members are engaged in an acculturation process of changes involving both sides: psychological, cultural, behavioral; researches conducted in psychology show that the process of integration, assimilation and even the process of separation, marginalization adopted by immigrant populations may be seen differently depending on the host population. “At the opposite pole lie the people with higher education, who are either diplomats or consuls in those countries or that are business people, who borrow cultural elements that borrow just from a simple necessity, these having pretty well shaped their own moral and cultural values”<sup>16</sup>.

<sup>14</sup> Cristian, Elena, Raluca, Bărăgan, Laura, Georgeta, *Identification of main economic and social causes of Romanian migration*, ECOFORUM SUCEAVA (2015), Issue 2, Volume 4, p. 157.

<sup>15</sup> Bocancea, Cristian (2011), *Migrație, aculturație și valori politice*, Revista Sfera Politicii, pp. 4-9.

<sup>16</sup> Comăneci, Cătălina-Felicia (2011), *"Imaginea imigranților români în presa internațională: mit sau realitate"?*, Revista Sfera Politicii, pp. 156-164.

“In the end, migration supposedly assumes a purely subjective choice for the immigrant involved in this process and which involves at the same time taking two major decisions, for him/her and his/hers family to immigrate for a period of time and to choose as correct as possible the country of destination or of immigration”.<sup>17</sup>

Of these personality and behavior traits which lead to a better integration of foreign immigrants in another country, we can mention the following: empathy, respect, interest in the local culture, flexibility, tolerance for the religious and ethnic background, technical skills, openness and new professional and social visions, sociability, positive self-image, all of them contributing throughout the stay in the country of destination to the creation and “polishing” of the new entrants personality<sup>18</sup>.

The research focus group provided an opportunity to understand the extent of the phenomenon of immigration through a direct contact with the Romanian immigrant and his family, but also through the problems it is being faced with in the host or destination country.

#### **4. Conclusions:**

In the actual globalization context, the attention of the world states focuses also on the labor force migration, not being solutioned for the time being nowhere else in the world by its politics.

Migration for the past decades has become a normal topic, being part of a social reality of the countries involved in the process; a topic to be addressed also from an ethical perspective of the institutions that protect human rights and support the free flow of labor force of able persons.

Many of the Western host companies nowadays require that immigrants entering into a new country with a new culture must learn and acquire new language, traditions, customs and culture.

The research conducted has been focused on the personality and behavior traits or social skills that successfully influence the adaptation to a new culture, traditions and idiom.

Recent researches in intercultural psychology of the individuals from different corners of the world have demonstrated that there are a number of acculturation strategies for the integrating into a foreign community, for assimilating of a culture, separation for introverted individuals and immigrants and marginalization for a certain group of individuals with an aggressive behavior.

All of these acculturation strategies are adopted in time by the foreign immigrants in function of the different perception of each host country’s population.

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<sup>17</sup> Cristian, Elena, Raluca, Bărăgan, Laura, Georgeta; *The impact of the "beaten path" model on Romanian migration*, ECOFORUM SUCEAVA (2015), Special Issue 1, Volume 4, p.258.

<sup>18</sup> Cristian, Elena, Raluca, Bărăgan, Laura, Georgeta, *Identification of main economic and social causes of Romanian migration*, ECOFORUM SUCEAVA (2015), Issue 2, Volume 4, p.168.

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# THE IMPACT OF THE INTERNSHIP PROGRAM AT THE LAGUNA GARDEN HOTEL (OKINAWA, JAPAN)

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## Abstract

*The hospitality industry in Okinawa (Japan) has been going through a major transformation during the past decade and the Laguna Garden Hotel, an urban resort hotel located in close proximity to the beach facing the East China Sea, has been greatly impacted by this change. In the mid-1990s, the local tourist population consisted mostly of domestic visitors coming from mainland Japan, visitors expecting standardized processes and services similar to the ones offered in other parts of the country. In 2018, an annual average of 68% of tourists were coming from countries other than Japan (according to the Okinawa Conventions and Visitors' Bureau), seeking hospitality services compatible with international standards.*

*The internship program introduced by the Laguna Garden Hotel in August 1995 has benefited the organization in facing changes in the market. The incoming interns, mainly students of Romanian origin, have contributed to the cultural change of the organization by supporting both executives and staff in revamping talent operations, organizational architecture and assuming an intercultural mindset. The executives at the Laguna Garden Hotel have regularly monitored the cultural change process induced and continued by the incoming interns. As a result, although there have been numerous changes in the operating organization and the board of executives, the internship program has continued without interruption for more than two decades.*

*This research focuses on a major period of transformation: the beginning of the program in the summer of 1995.*

**Key words:** Talent, Operations, HR, Technology, Internship, Organization, Japan

**JEL Classification:** M50.

## I. Introduction

The Laguna Garden Hotel opened in 1986 in Ginowan (Okinawa, Japan) as one of the first urban resort hotels in the Okinawa archipelago, being conveniently located both close to the beach facing the East China Sea and downtown Ginowan (宜野湾市 in Japanese), the second most populous urban area after the city of Naha (那覇市 in Japanese) in Okinawa prefecture (沖縄県 in Japanese). At that time, the hotel was operating 186 guest rooms and 2 suites. In 1993, ANA Holdings Inc. (ANAホールディングス株式会社 in Japanese), the parent holdings company of All Nippon Airways, Japan's second largest airline, invested 1,2 billion JPY through their subsidiary ANA Hotels (ANAホテルズ in Japanese), becoming the major investor in the business, owning 68% of shares and expanding the structure to 250 hotel rooms and 10 suites. As a result, the hotel joined the

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ANA Hotels chain and the official name of the hotel was changed to ANA Laguna Garden Hotel, to illustrate the affiliation with the group and, most importantly, the well admired national flag carrier - All Nippon Airways. To further strengthen operations and to ensure a timely integration within the ANA Hotels group, the President of the hotel was nominated from within the hotel chain, while the Okinawa native local front desk manager, Morio Higashionna (東恩納盛雄 in Japanese) was promoted to General Manager of Operations and Talent.

In 1994, the Okinawa Conventions and Visitors' Bureau considered the ANA Laguna Garden Hotel to be one of the largest hospitality operators in the archipelago, second only to another ANA Hotels property, the ANA Sun Marina Hotel in Kunigami-gun (国頭郡 in Japanese), currently the Sheraton Okinawa Sunmarina Resort. The proximity to the Okinawa Convention Center (one of the main venues for the 28<sup>th</sup> G8 Summit), made ANA Laguna Garden one of the most popular urban retreats, averaging an annual occupancy of 96% in 1995.

The newly promoted General Manager Morio Higashionna was overseeing the rapid growth of the hotel operations, constantly struggling between his love for the slow-paced Okinawa traditional culture and the need to standardize operations in order to comply with ANA Hotels group regulations. His staff consisted mostly of talent native to Okinawa, graduates of local professional schools and universities, as well as corporate executives sent over from the ANA Hotels headquarters in Tokyo, leaders who were eager to implement a fast-paced organizational culture focused on standardized processes and hierarchical control.

At this time of integration, the business received in June 1995 an unexpected fax with a request for hosting a summer intern, a Romanian student from Hirosaki University (the author of this paper) who was interested to observe behavioral patterns of Japanese tourists for a scientific research in tourism anthropology, while offering to support hotel operations during his tenure with the hotel. Morio Higashionna invited the ANA Hotels executives to discuss about this rather unusual request and consider whether to proceed with this proposal or to decline. Confronted with a situation without a precedent (hosting intern students was not a common practice in Japan at that time), the executives were both intrigued by the idea and surprised by the unconventional approach. After long debates about whether to accept or to decline the offer, the board of executives expressed a commonly shared concern with the prospect of bringing in a complete stranger, while many agreed that welcoming a non-Japanese member on the team for a limited period of time could bring a different perspective and a new kind of stimulus to the other team members at this time of change. The ultimate decision was left up to the general manager, who decided to interview the *étranger* over the phone.

The discussion was short and focused on the importance of cultural adaptation to the dynamics of the team, concluding to initiate an internship agreement effective as of 1 July 1995. Since then, Laguna Garden Hotel has hosted 86 internship students of Romanian origin over the span of 23 years.

## **II. Research Objective, Method and Objects**

### ***Objective***

The main objective of this research is to illustrate the benefits for monocultural organizations to include diversity in order to enhance business agility and to be able to explore early, prototype and adopt modern talent practices and organizational architecture development techniques.

### ***Research Objects***

Laguna Garden Hotel operates hospitality services conducted by 265 employees and 8 residentary executives. 100% of the employee and executive population are Japanese nationals, 86% of which identify themselves as ethnic Okinawan. Although the organization is operated in a traditional hierarchical manner, customer centricity and operational agility are ensured by constant communications within the team members. Roles and responsibilities are clearly defined for each team and member, while professional expertise is shared frequently within each team, but not across the whole organization. Therefore, there is a constant discrepancy of professional dexterity, technology utilization and business understanding from one team to another, ultimate accountability and responsibility being left upon senior managers and executive directors.

### ***Research Methodology***

The author conducted research based on an actual business case study with the Laguna Garden Hotel. Additionally, the author of this research engaged in first-hand participant observation (Yin 2003) of this change management process. Therefore, he could observe the stages of corporate confusion, the various stages of decision making and the whole procedures of organizational and cultural integration, with the eyes of an in-house full-time team member, from the start of the project in 1995 until 2018.

Qualitative interviews were constantly conducted with key decisions makers in the organization: the CHRO, the CTO, the COO, the General Manager and the President.

## **III. The Integration Process – From “Marketing as usual” to “Strategic Communications”.**

Upon commencement of the internship program in July 1995, the intern was requested to observe daily hospitality operations, ranging from welcoming guests at the arrival approach, inviting them through the automated doors and guiding them to the front desk for check-in procedures, to restaurant operations, events and banquet management. Along with that, the intern was tasked to provide recommendations for improving “no-show” rates during week time.

In order to better understand the current situation and to be able to monitor progress, the intern was requested to shadow the General Manager for a week and provide observations, comments and recommendations whenever necessary. As an immediate observation, the intern pointed out to the implacable attention to detail and ultimate customization in terms of personal interactions with the guests, contrasted with a lax marketing approach and requested to be introduced to existing customer engagement techniques. Upon a series of discussions with members of the marketing team, vendors

and suppliers, it became evident that the whole “marketing” process was pure “sales”, while advertising and customer engagement activities were all entrusted with professional travel agents who were either working on retainer contracts or commission.

In agreement with the management, the intern proceeded to monitor customer interactions (booking inquiries, accommodations and restaurant reservations, cancellations, requests for directions, event planning, etc.) for 3 consecutive weeks, sharing the observations with the marketing team and the General Manager in a team report at the end of month. Observations indicated that 68% of all customer interactions were handled by phone while 23% were handled by fax during week days; alternatively, 93% of all customer interactions were handled by phone and only 7% by fax during the weekend. This indicated that although the phone was the preferred tool of general communication for both week days and the weekend, the fax was utilized whenever precise communication became necessary: sending or receiving booking confirmations, maps to the venues or other directions. These simple analytics based on daily observations intrigued the marketing team and provoked the General Manager to consider new approaches to customer engagement.

The internet was spreading in Japan at that time and email was rapidly becoming a desired tool for communication. Although the hotel had bought and owned server access and internet connections, none of the existing computers were yet connected to the internet. In the second month of tenure, the intern requested to work with the IT group to support connecting the existing hardware to the World Wide Web and to set up email addresses for each division in order to enhance internal communications with other divisions and hotels within the group. In the span of a week, the marketing team was having internet connectivity and learning how to engage customers by email.

While the marketing team was enjoying internet connectivity and was exploring new ways of engaging with the guests through email, other parts of the organization were still struggling with the implementation of the new technology. Most internal official communications were still conducted on paper, while word-of-mouth was playing a major role in the dissipation of organizational news, such as upcoming talent rotation, team changes and the arrival of new team members. Employee engagement surveys were also conducted on paper, with an average annual participation as low as 32%.

In the third month of the program, the intern developed and deployed an employee engagement survey, which was shared on-line and by email with the whole existing employee population asking participants whether they understood the culture of the hotel, whether they were happy with their working environment and whether they would recommend a friend or a relative to work for the hotel. The ratio of respondents was a surprising 52%, 64% of which clearly indicated that they had no understanding of the hotel culture (other than that it was big and convenient), that they were not happy with their working environment and that they would not recommend a friend or a relative to work for the hotel.

#### **IV. Discussions and Actions**

The first round of discussions with the CHRO and the President of the hotel revealed compelling business realities, such as the need to better understand customers’

needs of communication, their preferred tools and channels of engagement, as well as a compelling need for hotel associates to learn and master modern communication technology. The president indicated specific concern regarding the lack of a “learning culture” within organization, most employees waiting to be instructed how to operate and expecting micro-management surveillance throughout their business engagement. These observations were shared by other executives who were eager to see hotel members reaching out beyond organizational silos to share best (and worst!) practice, to explore new technology and learn from each other.

The Head of Marketing was commissioned with the initiation of an internal working group to share his team’s experience with exploring new customer engagement tools and processes and to encourage other members to contribute to the development of a culture of learning.

At the second round of discussions with the President, the Head of Marketing reported enhanced communication traffic through email and web interactions, as well as encouraging indicators of organizational change. Within the span of two weeks, 86% of the employee population was using email and communication boards to share information necessary for providing enhanced hospitality services as a team. The marketing team was sharing necessary data related to upcoming visits of repeat customers and housekeeping as well as the restaurant were preparing customized services based on the provided data to surprise and better welcome the repeat customer back to premises. These orchestrated efforts enabled by the new technology lead to tighter communications, which were necessary for strengthening organizational health.

At the third round of discussions with the President, the Head of Marketing reported that his team had developed a follow-up process utilizing direct email to guests who had signed up for a point collection membership program, which included personal guest data. This function allowed for an instantaneous connection to the “Customer’s Voice”, leading to a total of 609 interactions: complaints, comments and requests for service improvement coming directly from the customers in the span for 2 weeks. The General Manager suggested using the same system for collecting the “Employee Voice” – giving employees an opportunity to write directly to the President, the CHRO and the General Manager with any ideas for improvement of existing operations and organizational culture.

As a result, two months after the beginning of the internship program, the on-line “Employee Voice” program was launched and the HR team was charged to monitor on-line and email engagement progress. Employees were asked to respond to an on-line survey about how likely they are to recommend Laguna Garden Hotel as an “ideal” place of work to a friend or family member. Participants was also invited to indicate whether they understand or agree with the efforts for creating an inclusive culture of learning and whether they enjoy working with foreign colleagues on new initiatives. This time, 83% of the employee population responded, with only 8% indicating that they do not understand or agree with the corporate culture (Hofstede eds. 2010), while only 6% indicated that they would not recommend the company as a place of employment to a friend or a family member. Most of the respondents indicated that they were confident of their newly introduced technological solutions and that they could see a sustainable future for their

career with the organization, and that they enjoy working with foreign colleagues who bring new ideas to the business.

At the end of the internship program, all stakeholders agreed that the change brought throughout these three months impacted not only how business was done, but also how people engaged with other internally to create meaningful value and delight both guests and employees. The President committed to support the globalization of talent and the introduction of modern technologies.

Laguna Garden Hotel continuously welcomes international students and the internship program has become an integral piece of talent operations for the organization.

## V. Conclusion

Although the internship program was a run for a short three-month period of time, the following main results could be observed throughout the process:

- ① The involvement of the international student propelled hotel members to think differently, to embrace change and to commit to innovation.
- ② The intern helped integrate organizational communications
- ③ The intern played key innovative roles in developing and deploying corporate culture and enhanced communications
- ④ The intern involved employees from all sides of the business in the customer engagement and culture dissemination process as well as in the process of on-boarding new technology.
- ⑤ The intern proposed and implemented a series of organizational architecture development and cultural integration projects new to the hotel, projects which were visually engaging and simple to connect with, generating innovative ideas and conducting to enhanced communications.

The internship program benefitted the Laguna Garden Hotel in organizational efforts to implement culture integration by enhancing cross-cultural communications and bringing down organizational silos through innovative processes, ranging from customer engagement to the on-boarding process of modern technology for a new era of communications.

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