

CONDUCTING BUSINESS WITH PEOPLE FROM



CHINA



Greetings



The Chinese nod or bow slightly when greeting another person, although handshakes are common. Wait for the Chinese to extend a hand first. Visitors to factories, theaters, or schools may be greeted with applause as a sign of welcome. The usual response is to applaud back. Introductions tend to be formal, with courtesy rather than familiarity preferred.

While Western names use the first name, middle name and last name (surname), the order of Chinese names is reversed. For example, in the name Chang Wu Jiang, Chang is the surname, Wu is a generational name given to all siblings, and Jiang is the first name. This person would be addressed as Mr. Chang. The Chinese are sensitive to status and titles. Never call anyone “Comrade” unless you are a Communist also.

Conversation



Good topics of conversation include Chinese sights, art, calligraphy, and inquiries about the health of the other’s family. Generally, conversation during a meal focuses on the meal itself and is full of compliments to the preparer. A certain amount of small talk about the weather, family or personal hobbies is expected before conducting business.

Be prepared for the Chinese to supply an interpreter. If possible, bring your own interpreter as well to help you understand nuances in discussions. Avoid slang or jargon, especially figures of speech from sports. Use precise words and short, simple sentences, and pause often to make sure that your exact meaning is understood.

Gestures



Avoid making exaggerated gestures or using dramatic facial expressions. The Chinese do not use their hands when speaking, and become distracted by someone who does. The Chinese do not like to be touched by people they do not know. Members of the same sex may be seen publicly holding hands, but public affection between the opposite sexes is not acceptable. Use an open hand rather than one finger to point. Do not put your hands in your mouth (biting nails, dislodging food from teeth); this is considered disgusting.

Business Attire



Men should wear conservative suits, shirts, and ties. Loud colors are not appropriate. Women should also wear conservative suits, with high-necked blouses, and low heels – their colors should be as neutral as possible. Red is considered a lucky color and white is the color of mourning so a white tie is a very poor choice.

Hierarchy/Family



The family, school, work unit, and local community are the basic social structures. There is a strong commitment to the extended family. The state, rather than religion, dictates the symbols of wisdom, morality and the common good. Strict obedience to parents and the Communist party are an absolute rule. Age is revered.

Manners



It is very important to be punctual in China, not only for business meetings, but for social occasions as well. Lateness or cancellation is a serious affront. During meals, it is polite to sample every dish. Finishing all your food may be an insult to your host; leaving a bowl completely full is also considered rude. Your attempts at using chopsticks will be appreciated. When finished, placing chopsticks parallel on top of your bowl is considered a sign of bad luck. Sticking chopsticks straight upon in your rice bowl is rude. Dropping chopsticks is considered bad luck. If you smoke, offer your cigarettes to others in your group. Women should not drink alcoholic beverages.

Cognitive Styles



Universal behavior that follows the Communist party line is demanded under the Communist government. Favoritism shown to Communist party members. Faith in the Communist party line is the dominant source of truth in all negotiations. In general, truth is subjective, and one’s feelings are a primary source of all truth. Facts are accepted, but not if they are in conflict with Communist party line and one’s feelings.

Currency



Chinese currency (RMB), is called *renminbi* (“people’s money”). RMB is based on the *yuan*. 1 *yuan* = 10 *jiau* = 100 *fen*.

Ethnic Make-Up



Over 91% is ethnic (Han) Chinese.

***Fun Fact:** Business is generally not conducted during the Chinese New Year festivals.

Language



The official language is standard Chinese, based on the Mandarin dialect. Many Chinese speak the Cantonese, Wu, and Kejia dialects.

Religion



Although the government encourages atheism, the Chinese constitution guarantees religious freedom. Buddhism, Islam, and Christianity are the three major formal religions practiced in China. However, even larger numbers of Chinese believe in traditional Chinese philosophies, notably Confucianism and Taoism. Confucianism is a rigid ethical and moral system that emphasizes the family, reciprocal relationships and kindness, propriety, intelligence, righteousness and faithfulness.