



Jointly Present

Title **The Chinese Negotiation**

Speaker N. Mark Lam

Date 20 June 2006 (Wednesday)

Time 1900 hours

Place Auditorium, Air Transport Training College, 190 Changi Road #04-01, MDIS Building, Singapore 419974 (3-minute walk from Eunos MRT)

Abstract

Executives doing business with China typically prepare themselves with etiquette tips. These may get them started but a much deeper understanding of Chinese culture will be needed to sustain business relationships over the longer term that is now becoming an option. The central cause of communication breakdowns is due to this cultural ignorance. To help remedy this dangerous lack of knowledge, Lam will explain the four cultural threads that have shaped Chinese thinking over thousands of years. These cultural underpinnings explain eight elements that define the Chinese negotiating style.

It is easy to stereotype both Chinese and Western (primarily American in this case) styles. Their stereotype carries so much truth that it's an effective guide for negotiators. Put in brief, Americans tend to see Chinese negotiators as "inefficient, indirect, and even dishonest" while the Chinese see American negotiators as "aggressive, impersonal, and excitable". For Western executives to negotiate effectively, they need to grasp four deep-rooted cultural threads: agrarianism, Confucian and Taoist morality, the Chinese pictographic language, and wariness of strangers. While agrarianism is beginning to wear off, it remains a potent force.

Chinese morality places heavy emphasis on hierarchy and on a concern with the means more than the end. The pictographic language, it is claimed, makes Chinese children better at seeing the big picture compared to American children (who are better at focusing on details). Wariness of foreigners resulting from external attacks and internal conflicts generates distrust of laws and rules, instead encouraging trust only in families and savings.

Lam will explain the eight elements of the Chinese negotiating style and how best to handle it. In short: you had better be prepared to show enormous patience and willingness to do things the Chinese way. The eight elements – translated as well as possible from the Chinese terms – are Guanxi (Personal Connections), Zhongjian Ren (The Intermediary), Shehui Dengji (Social Status), Renji Hexie (Interpersonal Harmony), Zhengti Guanian (Holistic Thinking), Jiejan (Thrift), Mianzi ("Face" or Social Capital), and Chiku Jailao (Endurance, Relentlessness, or Eating Bitterness and Enduring Labor). These headings will convey little of the substance of Graham and Lam's explanations, so don't try to guess at their full meaning. The success of a large deal could hang in the balance.

Biodata of Speaker



N. Mark Lam serves as Chairman, Executive Committee and CEO of Live365.

Prior to joining Live365, Lam was instrumental in securing funding, developing a new business model, and advising profitable growth as the former lead advisor to Live365. Previously, Lam specialized in forming global alliances and solving business and legal problems for international high-tech companies for over a dozen years. His clients included Philips Electronics, Hon Hai Precision Industry Co., Ltd. (ranked #2 in 2005 Business Week InfoTech 100 with over \$28 Billion in 2005 revenue and is one of the largest investors into China), and Foxconn Int'l in which he prosecuted and defended intellectual property claims as well as advising, negotiating, and consummating deals which contributed significantly to the success and rapid growth of the Hon Hai Group.

Earlier in his career, Lam worked at GM/Hughes, Geneva Company, the leading middle market M&A firm in the 80's, and Dynafund, an international venture capital firm. In 2000 and 2004, he served as a Presidential Elector and appeared on CNN, Good Morning Asia and the BBC. In 2001, he joined a delegation invited by leading Chinese universities and major TV stations in five cities including Beijing and Shanghai to lecture on China's joining the WTO and its impact on China's media industry. He was also a speaker at the inaugural China and the Internet Conference in 2003.

Lam has published over 50 articles in prominent journals and newspapers in Asia and the United States including the Harvard Business Review and has been invited to speak at UCLA, USC, UC Irvine and the California State Bar Education Institute as well as CES, NAB, and Milken Global Conference. He also served as a lecturer for MBA classes in global management and alliances at the UC Irvine Merage School of Management. Lam has just completed a book by McGraw Hill – China Now -- with Professor John L. Graham, an authority in international marketing and negotiation, on doing business with China. He has begun another book on Chinese Intellectual Property Law and Practice. Recently, Lam testified in front of the Senate Judiciary Committee on behalf of Digital Media Association (DiMA) and Live365 on the Perform Act bill on "Parity, Platforms, and Protection: The Future of the Music Industry in the Internet Radio Revolution."

Lam received a B.A. from Hamilton College, a J.D. from University of California Hastings College of the Law, and an M.B.A. from UCLA Anderson School.

Registration

Admission is free and all are welcome. As seats are limited, please send an email to icaas2006@gmail.com, with the subject line 'Talk: The Chinese Negotiation'. We will confirm your registration as soon as possible.

Getting there ...

