Identifying Employee Training Topics and Their Value In Development of An Effective Chinese Business By United States Agricultural Companies: A Delphi Study

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IDENTIFYING EMPLOYEE TRAINING TOPICS AND THEIR VALUE IN DEVELOPMENT OF AN EFFECTIVE CHINESE BUSINESS BY UNITED STATES AGRICULTURAL COMPANIES: A DELPHI STUDY

Jiajiang Peng, Roger Tormoehlen, Mark Russell and B. Allen Talbert, Purdue University

A three-round Delphi study was conducted to identify training topics required for development of a successful China business by U.S. agricultural companies. By identifying the training topics, business educators can better assist in the development of training programs targeted at U.S. companies wishing to conduct business in China. Thirty-seven (37) panel members completed the first round survey with 34 of them completing the second and third round surveys. In summary, the panel generated nine groups of training topics for U.S. agricultural companies wishing to enter the Chinese market. The nine training topics are: ethics and trust, Chinese markets, networks and partnerships in China, Chinese business practices, language and culture, product advantages and customer service, political and economic climate in China, legal counsel and intellectual property in China, and human resources and labor costs in China. Of the nine training topics, the “product advantages and customer service” group reached high consensus level among the panel. The other eight training topics reached moderate consensus level. Furthermore, of the nine training topics, the “ethics and trust” as well as the “Chinese markets” groups were both considered as essential by the panel for including into training programs that U.S. agricultural companies should consider when entering the Chinese market. The other seven training topics were considered as very important.

INTRODUCTION

Culture is the traditions and customs that govern behavior and beliefs of a person (Kottak & Kozaitsis, 1999). Culture forms the set of shared attitudes, values, goals, and practices that characterizes an institution, organization, or group. Chinese culture and its morality have thousands of years’ history and are firmly based on the writings and inspiration of Confucius and Taoism (Alon & Shenkar, 2003; Graham & Lam, 2003; Han, 1999; Sheng, 1979). Both Confucius and Taoism have shaped the Chinese heritage (Han, 1999). The Chinese consider themselves as living in a friendly, peaceful, and harmonic society. Not knowing and understanding the Chinese culture and language can be a potential source of miscommunication for companies from Western countries during business negotiations (Agarwal, 2002). Being unfamiliar with Chinese language is an important factor that inhibits U.S. companies’ desire to do business in China (Agarwal, 2002; Guo, 2004, 2006, 2007; Meusche & Gribbons, 2003). Graham and Lam (2003) stated that the basic cultural values and ways of thinking are different between the U.S. and Chinese business people. As international business experts, Graham and Lam stated that the Chinese people are collectivists and have a hierarchical and relationship oriented culture versus the American people who are individualists and have an egalitarian and information oriented culture. Sociocultural distance has received a great deal of attention in international business activity. Sociocultural distance refers to the difference in social culture among countries or districts (Anderson & Gaignon, 1986). Sociocultural distance has a strong effect on Multinational Corporation’s (MNC) performance in international business development (Anderson & Gaignon, 1986). Sociocultural distance may cause MNC to do business in an unfamiliar cultural environment. An unfamiliar cultural environment includes dealing with differences in languages, values, and beliefs.

The leadership attributes needed for successful international business and the corporate focus on personnel development and training are critical for corporations seeking success in the long-term. As many businesses are seeking expansion opportunities into overseas markets, cross-cultural training is now more important than ever. Without appropriate cultural training, there are challenges for businesspersons who are sent overseas for business development opportunities to identify unfamiliar cultural signs (Adler et al., 1992; Alon & Shenkar, 2003; Lee et al., 2006; Li, 1995; Wang, 2000). Leung and Wong (2001) suggested that cultural training should be given to foreign business people so that they know how to interact with their Chinese counterparts, protect themselves in an unfamiliar cultural environment, and search particular business opportunities. According to Middleton and Rodgers (1999), it appears that it may be more appropriate to focus on ways to get U.S. people to communicate across international cultures than on ways to get international people indoctrinated into western culture in the U.S. Beamish and Calof (1989) stated that corporations did not feel that academe was adequately responding to their international needs, therefore, the content of international courses should be set in consultation with industry in order that its relevance is assured. With the tremendous growth in the Chinese economy, more and more U.S. businesses are exploring the Chinese market. In contrast, many U.S. investors know very little about conducting business in China and even less about the way in which its unique business culture and authoritarian government would control their success (Agarwal, 2002; U.S. & Foreign Commercial Service and
U.S. Department of State, 2006; Wong & Maher, 1997). A study of U.S. business leaders found that 65% of the participants desired to learn “how to do business in China” (Meuschke & Gribbons, 2003). However, limited information for employee training on business development in China by U.S. agricultural companies is available. In previous studies, Peng (2009) and Peng et al. (2009) identified key components and their importance in development of a successful U.S.-China business partnership by U.S. agricultural companies. However, how those key components identified should be included in training programs targeted at U.S. agricultural companies wishing to conduct business in China have not been reported. The desire to learn “how to do business in China” has created great interest among researchers to develop training topics targeted at U.S. agricultural companies wishing to conduct business in China.

PURPOSE AND OBJECTIVES

The research purpose and objectives of the current study were to identify training topics required for development of a successful China business by U.S. agricultural companies and to evaluate and validate the importance of the training topics. By identifying the training topics and their importance, business educators can better assist in the development of educational programs.

METHODOLOGY

This study utilized the Delphi method (Linstone & Turoff, 1975) to generate training topics related to “how to do business in China” and subsequently to evaluate the importance for each training topic using a five-point Likert rating scale. The Delphi method has been widely used in curriculum design and business strategies evaluation (Linstone & Turoff, 1975; Maloney, 1991; Wang, 2000). The purposive sampling method (Ary et al., 2006) was used to select 37 panel members with extensive experience on international agricultural business development issues, especially in China. Panel members were identified from four international expositions/exhibitions held in the U.S. during 2007 and 2008 (Peng, 2009). The majority of the panel members were chosen from U.S. agricultural industries. Other panel members were chosen from the U.S. government and education/university. The ethnic backgrounds of the panel members were a mix of U.S. and Chinese heritage, with those people having Chinese heritage all speaking English as their first or second language.

A series of three rounds of surveys was utilized. A group of key components that are important for the development of successful China markets by U.S. agricultural companies were generated in the first and second rounds. Those key components were sub-grouped into different groups of training topics by the researchers based on the similarity of the category or theme of each key component in the second round. The names of the training topics did not change during the third round. Given that the original design of this research was mainly to generate key components for the development of successful China markets by U.S. agricultural companies in the first and second rounds, the researchers only deemed appropriate to evaluate the importance of the training topics in the third round. In the third round, members of the panel were asked to rate the importance of each training topic. The importance of each training topic was based on a five-point Likert rating scale: Unimportant (1), Slightly Important (2), Moderately Important (3), Very Important (4), and Essential (5). The mean, median, mode, standard deviation, first quartile, third quartile, and interquartile deviation of the importance of each statement were computed. The consensus of the importance rating of each training topic was determined according to the method described by Scheibe et al. (1975). Accordingly, the consensus level of the importance rating of each training topic was determined by its interquartile deviation. The consensus level was defined as follows: 1) an interquartile deviation that is equal to zero was defined as achieved high consensus; 2) an interquartile deviation that is greater than zero but is less than or equal to 0.50 was defined as achieved moderate consensus; 3) an interquartile deviation that is greater than 0.50 but is less than or equal to 1.00 was defined as achieved low consensus; and 4) an interquartile deviation that is greater than 1.00 was defined as did not achieved consensus. The importance level of each training topic was based on their median scores. The importance level was defined as: Unimportant (1.00), Slightly Important (1.50 or 2.00), Moderately Important (2.50 or 3.00), Very Important (3.50 or 4.00), and Essential (4.50 or 5.00). Essential was defined as a necessary training topic for U.S. agricultural companies when entering the Chinese market. Interquartile deviation of each training topic was calculated in Microsoft Office Excel (2003). Other descriptive statistics such as mean, median, mode, standard deviation, and percentage of each training topic were calculated in SPSS 16.0 (2007). Mean difference of each training topic between the Chinese and Non-Chinese panel members was analyzed by using the independent samples t-test in SPSS 16.0 (2007). Levene’s test for equality of variances was applied to the data if necessary. Mean differences were considered significant at p < 0.05.

RESULTS

Thirty-seven (37) panel members completed the first round survey with 34 of them completing the second and third round surveys. Although it was designed to include panel members with many ethnic backgrounds as possible, the panel members in this study were only of Caucasian/White and Chinese. Therefore, for the data presentation throughout this dissertation, “Non-Chinese” was used to refer to “Caucasian/White.” Of the 34 panel members completing the second and third round surveys,
thirteen are refer to “Non-Chinese” and twenty-one are refer to “Caucasian/White.” All panel members were currently working in U.S. organizations. The panel members were U.S. agricultural business experts who had international agricultural business experience and were purposefully selected to represent the agricultural industry, government, and higher education sectors. The complete details of the ethnic background and type of employer of the panel members in this study are summarized and listed in Table 1 and Table 2.

### TABLE 1

**Ethnic Background of Panel Members**

<table>
<thead>
<tr>
<th>Ethnic Background</th>
<th>Panel Members</th>
<th>First Round</th>
<th>Second/Third Rounds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Chinese</td>
<td>13</td>
<td>35%</td>
<td>13</td>
</tr>
<tr>
<td>Non-Chinese</td>
<td>24</td>
<td>65%</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
<td>100%</td>
<td>34</td>
</tr>
</tbody>
</table>

### TABLE 2

**Type of Employer of Panel Members**

<table>
<thead>
<tr>
<th>Employer Type</th>
<th>Panel Members</th>
<th>First Round</th>
<th>Second/Third Rounds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
</tr>
<tr>
<td>Industry</td>
<td>28</td>
<td>75%</td>
<td>26</td>
</tr>
<tr>
<td>Higher education</td>
<td>5</td>
<td>14%</td>
<td>4</td>
</tr>
<tr>
<td>Government</td>
<td>4</td>
<td>11%</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
<td>100%</td>
<td>34</td>
</tr>
</tbody>
</table>

In the first round, the contributory round, panel members were asked if their organizations had any training programs related to “how to do business in China” and if they had what were the training topics. Eleven of the 37 panel members stated that they had training programs related to “how to do business in China.” Twenty of the 37 panel members stated that they did not have such training programs. Six of the 37 panel members did not answer this question. Therefore, more than half of the panel members (54%) stated that they did not have training programs related to “how to do business in China.” Among those eleven panel members who stated they had training programs related to “how to do business in China,” five utilized both internal and external resources, four utilized external resources only, and two utilized internal resources only.

External resources include the U.S. Department of Commerce, law firms, universities, and other consulting groups. Overall, the major training suggestions from the panel members in the first round included: 1) Chinese history and basic language; 2) Cultural aspects of working and living in China; 3) Chinese cultural training on business norms; 4) Practices on communication and hierarchy for Chinese society; 5) Building relationship with other companies; 6) Hiring of Chinese Nationals; 7) Agricultural technology applications in China; 8) Economic transition occurring in China; and 9) Chinese regulatory system, finance system, and legal system related to the industry. The training suggestions recommended by the eleven panel members during the first round are summarized and listed in Table 3.
TABLE 3

Training Suggestions Recommended by Panel Members during the First Round

- Relied upon Chinese nationals to ascertain essentials for business. Chinese partners have years of experience in China working with American companies.
- Chinese regulatory system, finance system, and legal system related to the industry.
- Chinese history and culture, language and, most importantly, the economic transition occurring there. Basic legal information.
- The key training topic for U.S. persons has been Chinese cultural training on the norms of business. This includes practices on communication, hierarchy, and important factors for society.
- Programs of the U.S. Department of Commerce.
- Personal experience/business experience.
- Primarily the differences in U.S. and Chinese cultures.
- Agricultural technology applications in China.
- Chinese history, culture, and some introductory language training.

Additionally, one vice president who was in charge of the international business for his company stated that although his company did not have formal training on “how to do business in China,” he would suggest doing some training:

While we have not had formal training, I think I would suggest that this is a great idea prior to entering China. There are many peculiarities of doing business in China, and the more we understand and try to adapt to or have an appreciation of these things, the more successful we will be in establishing business relationships.

The key components generated in this study were subgrouped into nine different groups of training topics by the researchers based on the similarity of the category or theme of each key component. The complete details of the key components were reported elsewhere (Peng, 2009). The nine training topics are: ethics and trust, Chinese markets, networks and partnerships in China, Chinese business practices, language and culture, product advantages and customer service, political and economic climate in China, legal counsel and intellectual property in China, and human resources and labor costs in China. The panel members were asked to rate the importance of the nine training topics for inclusion in training program that U.S. agricultural company should consider when entering the Chinese market. A summary of the interquartile deviation, consensus level, and median scores for the importance rating of the training topics in the third round is listed in Table 4. The interquartile deviations of the importance rating of the nine training topics that were listed in the third round ranged from zero to 0.50. Therefore, all training topics reached at least a moderate consensus level at the end of the study. Of the nine training topics, the importance level of the “product advantages and customer service group (training topic 6)” reached high consensus level among the panel. The other eight training topics reached moderate consensus level. As noted in Table 4, the “ethics and trust (training topic 1)” along with the “Chinese markets (training topic 2)” were both considered as essential training topics by the panel. The other seven training topics were considered as very important. Furthermore, at the end of the study, the two training topics that were considered essential reached a moderate consensus level. The importance ratings of the training topics between the Non-Chinese heritage (Caucasian/White) and Chinese heritage panel members were not different (p > 0.05). A summary of the mean scores of the importance rating of the training topics in the third round from the Chinese and Non-Chinese panel members is listed in Table 5.
TABLE 4
Training Topics and Their Consensus and Importance Level in the Third Round

<table>
<thead>
<tr>
<th>Training Topic</th>
<th>Interquartile Deviation</th>
<th>Consensus</th>
<th>Median</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ethics and trust</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>5</td>
<td>Essential</td>
</tr>
<tr>
<td>2. Chinese markets</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>5</td>
<td>Essential</td>
</tr>
<tr>
<td>3. Networks and partnerships in China</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>4. Chinese business practices</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>5. Language and culture</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>6. Product advantages and customer service</td>
<td>0</td>
<td>High consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>7. Political and economic climate in China</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>8. Legal counsel and intellectual property in China</td>
<td>0.38</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
<tr>
<td>9. Human resources and labor costs in China</td>
<td>0.50</td>
<td>Moderate consensus</td>
<td>4</td>
<td>Very important</td>
</tr>
</tbody>
</table>

Note. Values are based on a five-point Likert rating scale: Unimportant (1), Slightly Important (2), Moderately Important (3), Very Important (4), and Essential (5). Consensus level is based on the interquartile deviation and was defined as: High consensus (interquartile deviation = 0), Moderate consensus (0 < interquartile deviation ≤ 0.5), Low consensus (0.5 < interquartile deviation ≤ 1), and No consensus (1 < interquartile deviation). Importance level is based on the median score and was defined as: Unimportant (1.00), Slightly Important (1.50 or 2.00), Moderately Important (2.50 or 3.00), Very Important (3.50 or 4.00), and Essential (4.50 or 5.00).

TABLE 5
Training Topics and Their Mean Scores of the Chinese and Non-Chinese Panel Members in the Third Round

<table>
<thead>
<tr>
<th>Training Topic</th>
<th>Mean (n=13)</th>
<th>Mean (n=21)</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ethics and trust</td>
<td>4.38</td>
<td>4.62</td>
<td>0.34</td>
</tr>
<tr>
<td>2. Chinese markets</td>
<td>4.46</td>
<td>4.38</td>
<td>0.75</td>
</tr>
<tr>
<td>3. Networks and partnerships in China</td>
<td>4.54</td>
<td>4.38</td>
<td>0.44</td>
</tr>
<tr>
<td>4. Chinese business practices</td>
<td>4.23</td>
<td>4.43</td>
<td>0.37</td>
</tr>
<tr>
<td>5. Language and culture</td>
<td>4.08</td>
<td>4.43</td>
<td>0.14</td>
</tr>
<tr>
<td>6. Product advantages and customer service</td>
<td>4.15</td>
<td>4.19</td>
<td>0.83</td>
</tr>
<tr>
<td>7. Political and economic climate in China</td>
<td>3.77</td>
<td>4.24</td>
<td>0.14</td>
</tr>
<tr>
<td>8. Legal counsel and intellectual property in China</td>
<td>3.77</td>
<td>3.81</td>
<td>0.91</td>
</tr>
<tr>
<td>9. Human resources and labor costs in China</td>
<td>3.85</td>
<td>3.71</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Note. Mean values are based on a five-point Likert rating scale: Unimportant (1), Slightly Important (2), Moderately Important (3), Very Important (4), and Essential (5). Mean differences were considered significant at p < 0.05.

The mean scores of the importance rating of the nine training topics ranged from 3.76 to 4.53. Overall, the panel rated the importance of “ethics and trust,” “networks and partnerships in China,” “Chinese markets,” and “Chinese business practices” higher (p < 0.05) than those of “legal counsel and intellectual property in China” and “human resources and labor costs in China.” A summary of the comparison of the importance rating of the nine training topics in the third round is listed in Table 6.


### TABLE 6

Comparison of the Importance Rating of the Training Topics in the Third Round

<table>
<thead>
<tr>
<th>Training Topic</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ethics and trust</td>
<td>4.53</td>
<td>a</td>
</tr>
<tr>
<td>2. Chinese markets</td>
<td>4.41</td>
<td>a</td>
</tr>
<tr>
<td>3. Networks and partnerships in China</td>
<td>4.44</td>
<td>a</td>
</tr>
<tr>
<td>4. Chinese business practices</td>
<td>4.35</td>
<td>a</td>
</tr>
<tr>
<td>5. Language and culture</td>
<td>4.29</td>
<td>ab</td>
</tr>
<tr>
<td>6. Product advantages and customer service</td>
<td>4.18</td>
<td>ab</td>
</tr>
<tr>
<td>7. Political and economic climate in China</td>
<td>4.06</td>
<td>ab</td>
</tr>
<tr>
<td>8. Legal counsel and intellectual property in China</td>
<td>3.79</td>
<td>b</td>
</tr>
<tr>
<td>9. Human resources and labor costs in China</td>
<td>3.76</td>
<td>b</td>
</tr>
</tbody>
</table>

**Note.** Mean values are based on a five-point Likert rating scale: Unimportant (1), Slightly Important (2), Moderately Important (3), Very Important (4), and Essential (5); Means do not share a common subscript letter (a or b) indicating significantly different ($p < 0.05$) from each other.

During the third round, panel members were asked to suggest additional training topic(s). Only four panel members provided suggestions for additional training topic(s). One panel member suggested that training topics identified in this study were also applicable to the training needs of Chinese employees working in U.S. operations/companies. Two panel members strongly agreed that it is important to have the suggested training topics from this study. One of them suggested that it is important to get updated information and appropriate training on the dynamics of Chinese economic growth and development in order to fully maximize market opportunities in China. This panel member stated:

It is important to understand that China is not one market where one size fits all. Each region has different characteristics from language (dialects) and culture, different stages of economic development, different distribution systems. Also, China can be market segmented by income. In addition, the dynamics of rapid economic growth must be understood to fully maximize market opportunities.

The other panel member also proposed that experts in certain areas could be hired in lieu of providing training. This panel member stated:

For the human resource and labor cost, understanding is important, and training is important, but you can hire people who have expertise in this area; same for legal counsel and intellectual property, understanding these are essential but expertise can be hired.

The fourth panel member stated that the training topics are very important issues but not necessary when entering the Chinese market. This panel member stated:

These are all very important issues, but I do not believe professional training is essential upon deciding to enter this market.

**CONCLUSIONS AND EDUCATIONAL IMPORTANCE**

The panel members in this study considered the training topics of “ethics and trust” and “Chinese markets” to be essential training topics for U.S. agricultural companies when entering the Chinese market. The other seven training topics were considered as very important for U.S. agricultural companies when entering the Chinese market. Those seven topics are: networks and partnerships in China, Chinese business practices, language and culture, product advantages and customer service, political and economic climate in China, legal counsel and intellectual property in China, and human resources and labor costs in China.

Therefore, based on the high importance level of the training topics, all the nine training topics should be included in a training program that could be utilized by U.S. agricultural companies when entering the Chinese market.

The panel deemed it essential to have training on ethics and trust for U.S. agricultural companies when entering the Chinese market. The panel suggested that U.S. agricultural companies should be honest and reliable in order to build mutual trust and develop a strong trusting relationship with Chinese partners when entering the Chinese market. The panel emphasized that there is a need for a full understanding of the importance of ethics appreciation across cultures by company employees. Especially, having worked and lived in China, one Non-Chinese panel member stated:

Understand the culture and know their definitions of business and personal ethics may be different from that in the U.S. (not that ours are great).
As quoted above, this panel member suggested that it is essential to recognize that China’s cultural norms and definitions of personal ethics may be different from that in the U.S. The same panel member also warned that American ethical standards are not always considered pertinent in other cultural settings. In other words, employees from U.S. agricultural companies need to understand ethical standards in other cultural settings and respect their differences when working with their international business partners. Ahmed et al. (2003) confirmed that cultural background differences affect the personal perception and awareness of ethics in business practices by business students. Those business students’ tolerances to different business ethical behaviors are different because their personal cultural backgrounds are different. Agarwal (2002) reported that the work ethics and business ethics in other countries were deemed to be questionable by U.S. business organizations. For instance, another Non-Chinese panel member in this study also stated that he had done business with questionable Chinese companies in terms of ethics and had learned how important it was to build a mutually trusting relationship with the companies with which you work. However, other researchers suggested that having an open attitude toward different ethics is a required competency in the global context (Abramson & Ai, 1999; Davies et al., 1995; Deardorff & Hunter, 2006; De George, 1990; Graham & Lam, 2003; Hartmann, 2004; Hunter, 2004; Hwang et al., 2008; Leung & Wong, 2001; Lovett et al., 1999; Sheng, 1979; Yeung & Tung, 1996). Lee et al. (2006) and Vogel (1992) also stated that U.S. business leaders need a better appreciation of the differences between the U.S. and Asian nations in the legal and cultural context of business ethics if they are to work effectively in an increasingly integrated global economy. Therefore, in order to build a successful business partnership, U.S. companies must not only be open to different values in personal ethics but also must identify Chinese business partners with good ethics. Consequently, this study emphasized the need for training on the moral characteristics and trust considerations across cultures in international agricultural development. If moral characteristics are taught to industry people interested in international agricultural development, they should include honesty, integrity, respect, accountability, fairness, tolerance, and openness, as well as how to recognize and respect ethical differences across cultures. The merit, family values, social harmony, and mutual respect and trust that exist in the Chinese Confucian culture should be valuable in China as well as in the U.S. Therefore, special training for the U.S. agricultural companies to understand those ethical codes must be emphasized.

The panel highlighted an essential need for training to gain knowledge and information of the Chinese markets for U.S. agricultural companies when entering the China. This is consistent with the goal of Chinese market development by U.S. agricultural companies. U.S. agricultural companies must understand the Chinese customers and their needs, China’s market dynamics, and economic transition occurring in China in order to be successful in China. This really should be the motivations for all U.S. agricultural companies. The panel in this study articulated that there are tremendous market opportunities and mutual benefits to provide quality products and services to the Chinese market by U.S. agricultural companies. One panel member stated:

The opportunities are vast, but a strategic approach is important. Finding a niche that fits the U.S. company and the Chinese market is important. It is better to dip your cup in the Chinese market rather than attempt to drink the entire sea.

Accurate and timely data may be a challenge but is essential to understanding the market and making correct business decisions. Surrogate information may be available as a substitute. For instance, statistics on the change in percent of urban households with refrigerators was a good surrogate for the potential for frozen foods, advance indicator for supermarket growth, and a measure of the spread of the consumer/ middle class that can afford to buy more expensive processed foods.

It should be noted that the training topic “product advantages and customer service” reached high consensus and rated very important among the panel in this study. Therefore, U.S. agricultural companies should be trained on how to develop product recognition in China and on how to assist the Chinese people to understand the benefit of their products and technology by conducting educational program. The panel in this study deemed it very important to have training on how to build networks and partnerships with others in China. Leung and Wong (2001) also suggested that cultural training should be given to foreign business people on the relationship and Guan-xi dimensions so that they know how to interact with their Chinese counterparts, create dynamic relationships, look for business opportunities, and protect themselves in an unfamiliar cultural environment. It should be noted that, although this study considered training on the “networks and partnerships in China” as very important, the panel members rated numerically higher on the mean score of the “networks and partnerships in China” than that of the “Chinese markets,” which was considered to be an essential training topic. Therefore, the typical U.S. business approach – market driven – should be combined with Guan-xi or relationship building with potential or existing Chinese partners. U.S. agricultural companies should be taught to focus on how to build networks and partnerships in the Chinese society when creating business opportunities in China. Some of the techniques that would strengthen Guan-xi with Chinese partners should be taught to U.S. agricultural companies by seasoned Chinese Nationals who are embedded in the Chinese Confucian culture. Most important, the panel in this
study indicated that U.S. agricultural companies must be taught to recognize the benefit of having Chinese Nationals with their organizations. Chinese Nationals mastery of the Chinese language and culture permits effective communication leading to development of strong trusting relationships between U.S. and Chinese partners. Therefore, a training program must emphasize the benefits of hiring Chinese Nationals as a U.S. company employee.

Although the importance ratings of the training topics between the Non-Chinese heritage (Caucasian/White) and Chinese heritage panel members were not different, Siu (1992) found that Chinese international business educators placed more emphasis on technical detail aspects while American counterparts emphasize management. Middleton and Rodgers (1999) also indicated that it may be more appropriate to focus on ways to get U.S. people to communicate across international cultures than on ways to get international people indoctrinated into western culture in the U.S. As the Committee for Economic Development (2006) warned that the United States will become less competitive in the global economy without strong foreign language and international studies programs.

Despite the fact that the panel rated very important for the training topics of “legal counsel and intellectual property in China” and “human resources and labor costs in China,” these two training topics have lower mean scores compared to those of the other seven training topics. The reason could be that the panel members of this current study speculated the agricultural industries are well aware of the importance of “legal counsel and intellectual property in China” and “human resources and labor costs in China,” therefore deemed the two training topics less urgent for trainings for U.S. companies wishing to conduct business in China. As one panel member stated:

Speed to the Chinese market is sometimes more important than intellectual property issues. Also in many cases you must divulge information that is in many countries unnecessary and may be inappropriate to do.

Other studies confirmed this speculation. A lack of global-ready or qualified international employees has always been a major challenge to international business development (Cui, 1998; Deardorff & Hunter, 2006). The various businesses have recognized that the most significant challenge is to understand the collaboration in international business network and to educate global-ready professionals for successful international business development (Deardorff & Hunter, 2006; Wong & Maher, 1997). Cui (1998) stated that the industries are well recognized that bilingual and bicultural Chinese professionals with degrees from western universities are in demand for the international business organizations in China.

In general, according to the panel in this study, a training program that targeted at U.S. companies wishing to conduct business in China should cover the following areas: 1) ethics appreciation across different cultures; 2) building mutual trust; 3) Chinese history and basic language; 4) cultural aspects of working and living in China; 5) Chinese cultural training on the norms of business; 6) practices in communication and hierarchy for Chinese society; 7) building relationships with other companies; 8) the hiring of Chinese Nationals; 9) agricultural technology applications in China; 10) the economic transition occurring in China; and 11) the Chinese regulatory, finance, and legal systems related to the industry. As emphasized by the panel, there are many peculiarities of doing business in China and the more a foreign organization understands and tries to adapt to or have an appreciation of these things, the more successful that foreign organization will be. Therefore, if training must be conducted for a U.S. agricultural company when entering the Chinese market, the topics must be as diversified as possible.

The current study also provided examples of resources for U.S. agricultural company to conduct a training program related to business development in China. According to the panel members of this study, the U.S. agricultural companies could choose to utilize internal or external resources to conduct trainings. The internal resource includes to having Chinese Nationals with their organizations. As emphasized by the panel members in this study, U.S. agricultural companies should recognize the benefit of having Chinese Nationals with their organizations and rely upon the Chinese Nationals as an internal resource for their business in China. The Chinese Nationals could conduct basic employee training within their organizations. In this case, a versatile Chinese National, with considerable experience in Chinese agriculture and embedded in the traditional Chinese culture, is needed for a more resourceful training. The external resource includes but not limited to the U.S. Commercial Services, educational institutes, and other legal firms and consulting groups from the U.S. or China. For example, an independent local advisory agency can help foreign investors and international businesses find a foothold in a foreign country (Rugman, 2003). Wallace and Ipson (1992) stated that university business training centers can address business human resource development needs in terms of time, cost, effectiveness, and risk minimization. One of the goals of university training centers is to educate students and develop a highly qualified workforce. The international competency of industry employees are now more important than ever, as more business are seeking expansion opportunities into overseas markets. Without a quality workforce, businesses will not be able to compete in the global market of the 21st century. Local businesses should use those organizations as a resource for business development if its own resource is limited.

As an international business training and education organization, the Centers for International Business
Education and Research (CIBER) can provide instruction in foreign languages and culture critical for U.S. business in the global aspects of trade and commerce. CIBER is located at 31 universities across the U.S. and can serve as a great resource for the business communities on international business issues. The educational programs for business at CIBER may include, for example, export training, market information, management reviews, and response strategies to increased international competition (CIBER, 2008). However, some of CIBER’s training material development is not specifically based on the agricultural context and would not serve the training needs for the broad agricultural industry without guidance of experienced trainers with agricultural knowledge. Therefore, U.S. agricultural industry should use CIBER’s educational programs with caution. Since the Chinese economic and political rise in recent years, Chinese language and culture studies have become increasingly popular subjects in the Western world (Committee for Economic Development, 2006). In the U.S., to build a strong Chinese language and culture learning program is specifically needed for a growing global economy. According to the Committee for Economic Development (2006), China and U.S. are currently actively forming a Chinese language and culture learning system based on a partnership between the Ministry of Education of the People’s Republic of China and the United States Department of Education.

In this study, more than half of the panel members stated that they did not have training programs related to “how to do business in China.” Therefore, the potential needs are great for training material and program development that are targeted on “how to do business in China” for U.S. agricultural companies. Overall, the training topics and training suggestions of this study may provide U.S. agricultural industries with evidence to strategically develop educational curriculum and materials that could prepare and strengthen U.S. agricultural business development in China. Although the current study did not specifically generate which way is the best to deliver a training program, it is the researchers’ speculation that an on-site face-to-face training program with interested U.S. agricultural companies may be the most effective way to deliver a training program that includes the training topics generated in this study. However, other means to deliver training programs to interested U.S. agricultural companies could be effective including voice PowerPoint files, YouTube clips, or other web-based long distance learning.

The researcher’s personal consulting experience with U.S. agricultural companies revealed a need for increased business training for U.S. companies pursuing business expansion in China. Failure to provide the training often leads to unprepared expatriate staff being sent to China by the company’s inexperienced management teams. Foreign companies without question must depend heavily on expatriate staff for their China-based operations because they are importing into China their own technology, management styles, and economic and financial philosophy. Choosing an expatriate staff that is unprepared for what lies ahead in China can be disastrous both to the person chosen and to the company. The researcher’s previous personal consulting experience with U.S. agricultural companies highlighted the importance of professional trainings on issues related to Chinese business development.

Professional trainings on Chinese business development for management team members in a U.S. agricultural company are effective only if the management team knows particularly what they are looking for based on detailed information. Periodical participation in Chinese industry gatherings and professional organizations are required for management team members to personally gain updated information related to Chinese agriculture changes. For all other employees in a U.S. agricultural company, professional trainings on Chinese business development should provide at least the business rationales and interest. This should motivate the support force within the entire company to work together to assist with their company’s Chinese business development.

**IMPLICATIONS**

Prioritize training needs, taking into account that those have an immediate effect on employee professional development or business performance are the most important for any business organizations. This study identified training topics required for development of a successful China business by U.S. agricultural companies and placed a value upon each. The training topics were all rated by the panel as very important or essential and should be included in an educational training program targeted at U.S. agricultural companies wishing to successfully develop a Chinese business partnership. Ideally a training program would include all the training topics but realistically this may not be feasible in all cases. The researcher recognizes that all business collaborations have their unique characteristics and thus employee training programs should always be matched to the company’s individual needs. Therefore, in order to provide effective training, it's necessary to know exactly what the expectations of the employees in each specific business organization. In realistic situations, employers are encouraged to gather this information by conducting a thorough job task analysis of their own employees. Also, tailored training programs are potentially more likely to meet both the needs of the U.S. companies and their Chinese partners as each will better understand each others’ business practices and cultural customs.

**REFERENCES**


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