

Cultural orientations and performance of Sub Saharan Africa economies in international Business

Sempebwa Brian, Daniel Abraham, Bukira Germina, Tumusiime Jazzilah, Nambusi Aidah, Baseka Hamidah, Mwanja Paul

Kampala University

Abstract: *The main aim of this study was to investigate the influence of culture on performance of different stakeholders in Sub Saharan Africa in international trade. The key guiding questions of this article were “How do cultural differences impact on international business in Sub Saharan Africa?” and “What are the main cultural issues an international business should consider”. Literature review was used as a method of collecting data. The key findings were that in Sub Saharan Africans have cultural attitudes classified as Polychronic. For, they do many things at once and their concept of time is free-flowing, and changes depending on each situation which adversely impact on their international business dealing. The conclusions were that, for participants in international trade in Sub Saharan Africa to have fair deals and progress international business they need to have cultural intelligence, be reasonably vigilant and enthused to attain an acceptable level of bargaining. and make a fundamental shift from the cultural orientation (Polychronic cultures); which is adverse from the view of international business.*

Keywords: *Culture, International Business, Polychronic, Corruption.*

Introduction

Sub-Saharan Africa which currently consist of forty-eight countries, endowed with minerals, favourable climate and good soils for agriculture; and large population standing at 1.2 billion provides very lucrative opportunity of international business and cross border trade. Countries within this region are endowed with highly demanded minerals including gold, oil, platinum, uranium, cobalt among others. One of the factors which enhances or adversely affects international or cross border business is culture. In sub Saharan Africa social and business culture reflects the past colonial history, which divides this vast land into three groups: Anglophone, Francophone, Lusophony countries (Arnold, 2022).

There are varied social groups with diverse cultures in Sub-Saharan Africa. However, historically, the region has been affected by internal and external cultural forces. Colonialism by Europeans obligated African locals to significantly yield their cultural practices and adopt European based cultures. This promoted European based education, media and culture as superior. The emergence of global culture has exacerbated the linkage between international business and culture. Global culture can be defined as a whole way of life of the world's people. It is the cultural works that are produced and commonly consumed by people who live within and across many countries, not just one country (Mirrlees, 2020).

Global, country specific and regional units and sub unit within countries, have a distinctive culture. It is imperative for stakeholders in international businesses to appreciate different cultures of management, employees and customers to enhance benefits and performance of international businesses. Complexities of international business and as pertaining to cross-cultural puzzles may thus be mitigated (Arnold, 2022).

The guiding questions of the article

This article was guided by the following questions:

- i. How do cultural differences impact on international business in Sub Saharan Africa?
- ii. What are the main cultural issues an international business should consider?

Literature Review

Corruption is predominantly a worldwide issue across countless cultures for epochs. The degree of corruption worldwide is significant (Banerjee, 2012). Culture is one of the major causes of corruption particularly in Sub Saharan Africa. For, cultures differ, and so is the connotation of corruption in different world settings. Some dealings that may be considered as corruption in developing countries like those in Sub Saharan Africa may be acceptable in developed countries and recognized democracies like Japan or United States (Susan, 2016). In international trade corruption is envisaged as a damaging and that the only route to reform is through a thoroughgoing change in prevalent social norms, moving beyond narrow economic models of self-seeking individuals (Susan, 2016). However, as highlighted above there is need for participants to acquaint themselves with diverse meaning, environment, audience and perceptions of markets where they carry out their business activities.

International business in Sub-Saharan Africa requires cultural awareness and effective cross-cultural communication skills. For, business objectives of the participants may be similar, albeit execution and communication strategies may differ significantly due to cultural differences (Arnold, 2022). Increasing globalization and internationalization has prompted companies to consider expansion of their businesses beyond national borders and ensure interconnected. Managing business operations across international boundaries is an enormous challenges (Hasim .D., 2008). Instilling cultural understanding in key business stakeholders is important as it is a way of preparing culture-sensitive content for the country where the company is based. Engagement of the target audience

with the business goals is crucial for global expansion (Mirrlees, 2020). Cultural diversity is further categorized as a primary dimension based on the different definitions of culture that is found. Cultural diversity can affect organizations and can turn out to be beneficial in certain situations and problematic in others. In an increasingly diverse business environment participant should be able to circumnavigate through the hosts of customs, gesticulations, and traditions that define their differences (Banerjee, 2012).

While it shares many of the properties of emotional intelligence, cultural intelligence equips a person to distinguish behaviors produced by the culture in question from behaviors that are peculiar to particular individuals and those found in all human beings. Most managers are not equally strong in all three of these areas of cultural intelligence. They conclude that anyone reasonably alert, motivated, and poised can attain an acceptable (Mosakowski, 2003). Cultural awareness on the other hand, takes place when international market participants appreciate cultural differences which enhances their performance and ability in international business (Varela, 2018).

Methodology

A systematic review was used to identify and analyse related literature for inclusion in this study. A systematic review is a research method and process for identifying and critically appraising relevant research, as well as for collecting and analyzing data from said research (Mirrlees, 2020). A systemic review was undertaken to comprehensive search, review, and interpreted the identified literature with clearly defined inclusion and exclusion determinants. Only literature less than five years of age was considered and only literature clearly pertaining to the guiding study questions was included in this study.

Findings

From the research, inputs for Sub Saharan African manufacturing industries principally come from the European Union and the United States of America. International business transactions for similar inputs from China is also significantly growing. Notably, there is inadequate intraregional value-added trade activity within Sub-Saharan Africa, with intermediate inputs from within the region cumulatively accounting less than one percent of the total value of manufacturing output (Kaleb G., 2021).

International business is an essential driver as it plays a decisive role in economic development of developing nations. Countries in Sub Saharan Africa are infested with high levels of corruption. With an average score of 33 out of 100, Sub-Saharan Africa shows no significant improvement on the 2021 Corruption Perceptions Index (CPI). The gains made by a handful of countries are overshadowed by backsliding or stagnation in others and the region's poor performance overall, as 44 out of 49 countries assessed on the index still score below 50 (Transparency International, 2021). Global cultures impact on corporations, vocations, and regions differently. Interacting with individuals within them demands perceptiveness and adaptability. Analyses of corruption in the cultural context of sub-Saharan Africa indicate that after between 50 - 60 years of political independence, most of the sub-Saharan African countries are relatively economically backward compared to their counterparts in Asia. This is particularly true in areas of attempting to eliminate poverty, and creating jobs for their populations and providing modest health and other social services. Some authorities link this situation to the historical and colonial legacies that were inherent to Europeans' colonial exploitation of Africa (Keba, 2014).

Sub Saharan cultural attitudes and classified as having Polychronic cultures. This culture does many things at once. Their concept of time is free-flowing, and changes depending on each situation. Distractions and interruptions are a natural part of life, and have to be taken in stride. Polychronic culture view time as renewable resource which passes in varied ways or cyclic. In Sub Saharan Africa meeting time is flexible, less emphasis is put on punctuality, timeliness. The time of negotiation commencement may be postponed even a few hours. People often depart from the main topic of the conversation. People do not hurry and one should not rush them (Marzena, 2017).

Discussion

Given that any business to succeed participants need to consider time as an asset rather than a resource which is beyond their control. As indicated above local participants in international businesses in Sub Saharan Africa view business meeting time as flexible with little or no emphasis put on punctuality. This may adversely impair optimal time of negotiation and initiation of transactions which may be worth in millions of dollars (Keba, 2014). The findings from the literature reviewed indicate that corruption sparked of by cultural influences seem to explain the under-development and possibly poor performance in international business with sub-Saharan Africa (Hasim .D., 2008). The findings indicate that International business participants of Sub Saharan Africa origin often digress from topical issues tabled by their counterparts from other continents. Coupled with being mindless about time may automatically disadvantage the international business participants from the Sub Saharan Africa (Marzena, 2017). This may also have been exacerbated by the historical and colonial legacies of Africa that made it difficult to create fast effective developed states in the sub region. These bequests caused inadequacies in set-ups, social structures, and contemporary legal systems. These conditions may have led to corruption in many of these states and impacted adversely on their performance in their international business deals (Arnold, 2022). There is therefore need to have cultural intelligence to perform better in Sub Saharan Africa.

Conclusion

It can therefore be concluded that, for participants in international trade in Sub Saharan Africa to have fair deals and progress international business they need to have cultural intelligence. Secondly it can be concluded that business managers who are reasonably vigilant and enthused, can attain acceptable level of bargaining. It is also imperative for business persons to make a fundamental shift from the cultural orientation (Polychronic cultures); which is adverse from the view of international business.

References

- Arnold, M. (2022). Understanding Business and Social L Culture in Sub-Saharan Africa. *Africa Financial Industry Summit*. Cape Town: Africa Financial Industry Summit.
- Banerjee, A. S. (2012). Corruption. (p. 1). NBER Working Paper No.
- Hasim .D., K. V. (2008). *Effects of cultural differences in international business*. Geneva.
- Kaleb G., .. e. (2021). *Industrialization in Sub-Saharan Africa: Seizing Opportunities in Global Value Chains*. Washington DC: World Bank .
- Keba, S. (2014). Defining Corruption in the Cultural Context of Sub-Saharan Africa. In *Challenges to Democratic Governance in Developing Countries*.
- Marzena, A. (2017). The importance of cultural differences in international. *The Central European Review of Economics and Management (CEREM)*.
- Mirrlees, T. (2020). *Global Culture*. Ontario: Research Gate.
- Mosakowsk., .. E. (2003, July 15). *Cultural intelligence*.
- Susan, R. &. (2016). Corruption and Government Causes, Consequences, and Reform . In *CORRUPTION AS A CULTURAL PROBLEM* (pp. 233-272). Cambridge University Press.
- Transparency International. (2021). *CPI 2021 for Sub-Saharan Africa: Amid Democratic Turbulance, Deep-Seated Corruption Exacerbates Threats to Freedons*. Washington DC: Transparency International.
- Varela, A. (2018). The Influence of Cultural Intelligence on Intercultural Business Negotiation. *International Journal of Business and Social Science*, 18 - 21.