

# Culture and Relational Competences

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In the last few months we have often read about Chinese entrepreneurs' interest in shopping brands and firms in Europe and Italy. China International Brand Management Centre, of State emanation, has started the first aimed initiatives after ordering Mc Kinsey a specific study about the best way to follow in order to support the entrance of Italian brands into China. We have got in touch with China Knitting Industrial Association ( a Chinese entrepreneurial and State association in fashion) to find Italian brands and fashion designers interested in consulting and joint ventures with Chinese Groups in order to expand businesses among the middle-high classes in the Chinese market.

On the other end, in a recent meeting in Milan, among businessmen of private equity and some representatives of the Italian medium-sized enterprise, specialized in Made in Italy sectors, it was underlined that, nowadays, the brand value is bigger if the enterprise has not started any partnership relations( JV, franchising, licensing) in the Chinese market.

This argument was justified by the fact that, because this market expresses high economic potential, being engaged in difficult management agreements, prevented the attainment of the targets.

So the brand is more valuable if it hasn't any bond and it is in the condition to express its power in that market if professionally administered.

In a few words, in situations of market crisis, the Asians have market, financial resources and a positive tension for the development of commercial agreements; the Italians have brand, design and know how but also strong prudence.

These events have a common denominator. In getting out from the crisis that has made all of us fully aware of the deep revolution in the international markets( for example the potentiality expressed by BRIC – Brazil, Russia, India and China) the intercultural dynamics has had a growing role in the firm's strategic planning and management even conditioning the criteria of valuation of its asset. In fact, the registered failure in the first dislocation approaches of productive processes or in international trade policies are often due to the grave difficulties of the management of western and eastern firms in understanding one another, working together, making out different business styles, different ways of life and different purchase behaviours.

Lots of joint ventures and relative strategic plans, business plans and investments of resources and time have been carried out. Also new selling establishments have opened but without reaching the estimated results. We wonder how relevant the cultural gap management was and how much awareness we had and have of the importance of cultural gaps for a successful project.

It is a current, real and also central problem that we need to manage if we want to catch the opportunities( as efficiency and market penetration recovery) that are daily emerging on the international markets. From this, professional competences out of the business enterprise can and must play a key role, especially those of consulting.

The necessity is evident: take care that the chemical reaction occurs and that two different managerial cultures, in the business project, can express an



effective synthesis and win. For example, I want to underline the enormous difficulties in these markets in managing products and services with high emotional contents together with the utmost attention to trust, mutual reliance, preliminary conditions in any joint work hypothesis as well as the consequent and requested times and investments and therefore the formation in the field and the harmonization and managing of processes.

These are problems concerning small, medium, big-sized enterprises, those of the Made in Italy. If institutions often cause

useful contacts, consulting becomes fundamental in planning and managing the relation again; it is a value added contribution rising from the possessor title of competences, know how and network necessary for the business growth.

But why consulting? Because in the harmonization of cultural gaps it is fundamental to have not only vertical but also cross competences, since it is necessary to arrange knowledge and competences developed in different projects and sectors where the role of an "expert" is becoming more and more marginal and, in some circumstances, an obstacle to synthesis and so "dangerous". It is difficult to find these competences in the enterprise: it is possible to systematize and create new wealth from the joined awareness of our new needs and our own limits.

But, be careful: the first signs in the opposite direction are being registered. Asian groups that are developing new projects in Europe are meeting the same cultural difficulties. It is a new and wide market for consulting that must be caught and we need to get ready for it as soon as possible.

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