

Saimaa University of Applied Sciences
Faculty of Business Administration, Lappeenranta
Degree Programme in International Business

Kou Man Ieng

Cultural discrepancy and challenges when doing business in Macao's cross cultural environment

Thesis 2013

Abstract

Kou Man leng

Cultural discrepancy and challenges when doing business in Macao's cross cultural environment, 55 pages, 1 appendix

Saimaa University of Applied Sciences

Business Administration, Lappeenranta

Degree Programme in International Business

Thesis 2013

Instructor: Principal Lecturer Tuuli Mirola, Saimaa University of Applied Sciences

The purpose of the study was to find out the problems or crises when doing business in the cross-cultural environment. Further, the gambling industry in Macao made it necessary to do this cross-cultural research.

The thesis will be divided into two parts, the theoretical part and empirical data. The topics from 1 to 4.1.2 are included the basic concepts like global business, sociocultural environment and nature of culture. The following topics from 4.3 to 5 are concentrated on the empirical research and the practical examples. The main topic is the central part of analyzing Macao's business challenges and dilemmas by the supporting methods, such as an interview and a case study. In addition, the last four aspects; discussion, conclusion, figures and tables bring out the final summary and effective data for doing business in Macao.

In the final results of this thesis it was pointed out the related factors and information for new entrepreneurs. Moreover, the results show the proposed methodology and practical examples on the management strategy and current phenomenon of Macao.

Keywords: Global business environment, sociocultural environment, culture, Hofstede's dimensions

Table of contents

1 Introduction	4
1.1 Objectives	5
1.2 Research questions	5
1.3 Limitations.....	6
1.4 Research method	6
2 Global business environment.....	7
2.1 Definition and feature	8
2.2 The nature of business	9
2.3 Objective and mission of business.....	9
2.4 Globalization with business challenges.....	10
3 The sociocultural environment	11
3.1 Definition and feature.....	12
3.2 Religion.....	12
3.3 Education.....	13
3.4 Family and marriage	13
3.5 Human relations.....	16
3.6 Ethics and social responsibilities	16
4. Culture	17
4.1 The layers of culture	18
4.1.1 Business culture	19
4.1.2 Organizational culture.....	21
4.2 Hofstede's cultural dimensions theory and model.....	21
4.3 Cross-cultural business environment.....	27
4.4 Relationship between culture and business.....	28
5 Analyze of Macao's cultural challenges in business.....	29
5.1 The creation of Macao's culture	29
5.2 Business behavior and etiquette	31
5.3 The advantages and disadvantages of Macao's culture and business	35
5.4 Impacts and dilemmas for entrepreneurship to do business in Macao	36
6 Discussion.....	37
7 Conclusion	40
Figures	42
Tables	43
References.....	44
Appendix	

1 Introduction

Going through the status of Macao in the world of the handicraft, fisheries and gambling industries, and also the description of “Near Hong Kong” and “Monte Carlo of the Orient”, it finally changed its name into “Las Vegas of the East”. The deeply colonial history of Portugal, global business transactions and multi-cultural interaction had all generated the sufficient background and environment to develop the necessary improvements which meet the trends of globalization. At the end of 2012, there were totally 35 casinos in Macao, with 23 casinos located in Macao Peninsula and 12 casinos in Taipa Island. Most of them are owned by Sociedade de Jogos de Macau (SJM), Galaxy and an American company Venetian. (Gaming Inspection and Coordination Bureau Macao SAR 2013.)

Based on the rights of gambling publicly by Macao’s government and the rapid development of gambling in Macao, more and more foreign companies and investors had expanded their brands and seek to develop business. Most of the analysis has focused on Macao’s economic and gambling trends by the Economic Bureau of Macao government and the previous research like the official Economic Outlook of Macao at 2013 (The Macao Special Administrative Region Economic Services 2013) and the research of Gaming tourism trend in Macau from Clarissa Chan (Chan 2012) That is the reason why the thesis is discusses doing business in cross cultural environment. At the same time, the convention concerning the protection of the World Cultural and National Heritage (world heritage) is one of the representatives of East-West cultural architecture and natural heritage (Macao Government Tourist Office 2013a.). Further, the new attraction, and cognition for tourist after Macao is the 31st country of world heritage at 2005. (Macao Special Administrative Region 2009.) Baced on these topics, the social environment, which is existed by both social and economic, makes the needs for doing related discussion and impacts for preparation about the challenges which will face the changes in the multicultural environment.

Meanwhile, Macao's government's revenues from gambling industry, tourism, and the geographical location (Southern China's Guangdong Province in the Pearl River Delta) are providing more chances for investors when having business strategy or investment. In addition, Macao's business research which is usually focused on doing business in the aspects of economic, the other factors and relationship in the multicultural background of Macao are rare comparatively to find out. Thus that's the reason of idea which based on the multicultural background of this thesis. (Macau Government Tourist Office 2013b.)

1.1 Objectives

The purpose is to find out the answer to: What are the sociocultural environment, business features and possible challenges when doing business in Macao's sociocultural environment. The limited range is focused on foreign people and local people who want to do business and understand more about Macao's culture, the style of doing business or some etiquette to have enough references and information. Further, there are two main concepts, cultural and global business environment which becomes the connected relationship between the discussion of "Culture and business". Moreover, the cultural model like Hofstede's (2001) theory is an important way to analyze Macao's cultural differences and provide enough information by the similar research data. The key aim is to find out the business effects, examples, and the challenges based on the cultural factors, historical background and global phenomenon, and also point out the challenges which faced to the investors except for the common perspectives of economic and gambling only.

1.2 Research questions

The key word is doing business in Macao. The background material is referred to the sociocultural environment, and also finding out what the direct or indirect relationships between culture and business are. Secondly, what the business challenge and culture shock are about Macao's business phenomenon with the rapid global transaction development? Moreover, what are the risks and

dilemmas when facing to the new entrepreneurship in Macao?

1.3 Limitations

Due to the small amount of literature and information about Macao's cultural discrepancy and challenges, the material about the relationship between Macao's culture and business are not enough the reference for doing the research. Further, general business analysis and research are usually focused on the economic aspects, like the development, strategy or future of gambling. That is the reason why it will create the limitations of the research process. On the other hand, the Hofstede's (2001) model which is the supporting method of this thesis, but it does not include information about Macao. The similar information about Hong Kong is to be the supporting reference in the culture theory, and also the methods of case study and an interview are the main evidence to discuss about the cultural discrepancy and challenge when doing business in Macao.

1.4 Research method

Qualitative method is used in this thesis, which is focused on understanding the theory and empirical data. Further, a case-study of Koi Kei Bakery is one of the empirical sources due to the effective evidence about the successful venture processes of Macao's local brand. The information and the case analysis also come from Mr. Leung Chan Guang's and the official website page of Koi Kei Bakery. Moreover, the new entrepreneurs can also have the practical case example and analysis reference in the multicultural environment of Macao.

Another empirical method is a structured interview by email with the hotel manager Mr. Kou Kun Kao. The contents of the interview are related to the theories of the sociocultural environment, and Macao's culture from the Hofstede's (2001) concept. The reason of interviewing Mr. Kou is based on his management experience for 30 years. The enough practical human relations and business skills made him to be the best choice for supporting and finding out the related results of this thesis topic. Further, the interview can bring out the

structured answers by the fixed questions. In the view of entrepreneur, interviewing with entrepreneur can solve their possible practical doubts about this related data.

2 Global business environment

In the 21st century, globalization is the overall development and issue all over the world. People and enterprises cannot stop the global rapid trends. Moreover, a closer relationship between culture and business has changed the original environment and business operation. Some big brands like Nike, McDonald's and H&M have expanded their business or production to Asia or Africa due to lower costs. It is not hard for people to buy the products made in China, Philippines, Vietnam and other Asian countries. The WTO has generated more chances to open the trade and economic growth. Management of culture shock needs to be faced on the various business etiquette and conflicts, and these all changes can be summarized in the global marketing. (Schirato and Webb 2003; Nike 2012.)

It can be said that globalization is the interdependent process connected with human's social life, production, communication, economic growth, information processing, transportation, sociocultural consumption and services. Generally, the process of globalization can also effect on three concepts (technological innovations, communication, and information processing). (Hedley 2002, p.5-7.)

In the aspects of technological forces, the main changes and contributions like computer networking had started to go online in December 1969, the invention of hypertext (computer language) by Tim Berners-Lee in the 1970s and 1980s, and the launch of Internet Explorer by Microsoft in 1995 (Trinkle and Merriman 2006, p.4). Nowadays, the goods can be purchased through the Internet and paid by credit card. The sellers and purchasers can sell and buy more goods and services online fast. The users can express the opinions and information via the enormous database. People can know about global news and information from the modern technological evolution. Also communication is one part of necessary interactions between people and people or people and world.

(Schirato and Webb 2003.) Except using Internet on the computer, the utilization level of smartphone is totally occupied in people's daily life. One Google research about global smartphone users in the mobile planet said there are more than 69% people are used with other functions like listening radio or writing notes when using smartphone in the USA, the United Kingdom, Japan, France, Germany and Spain. For example, 51% of Americans listen to music on smartphone's radio. 17 % of Americans read the newspaper or magazine on the smartphone, but there are only 11% of Japanese who do that. Thus it had showed the universality of using high technology products nowadays. (José Ramón Valle 2012).

These percentages have showed the dependence of people using smartphone in the modern society, and it is also a big chance in global business marketing. At the same time, smartphone can create the fastest way and environment to communicate with people, and sharing the information seems like the speeds of light. All these changes can also improve our quality of life, and create more transactions in global business. (José Ramón Valle 2012).

2.1 Definition and feature

Due to the rapid development of globalization and international trades which were mentioned before, the clear definition of business environment can be divided into internal and external environments; the basic company transaction of production and how to do the market research or customer service are one of the inner examples. In the outside part, the political-legal limitation, cultural progress, technological, and physical development create the form of complex environment. (Alasdair & Hitchcock 2001.)

According to the ongoing changes between the society and types of business nowadays, the multinational corporations (MNCs) will face more competition to enhance the market competitiveness. It can be said that the Trade Organization (WTO) is the central source or driving force in the global world. In addition to the potential marketing challenges, the multicultural environment needs to change the management process and think out how to enter the market from the

comprehensive strategy. On the other hand, the quality of products will relatively become better due to the global competitors. More opportunities and more production make the flows of global capital and technological transfers. Consumers, merchants and countries can choose their best decision and choices under the competition of all mankind. (Aswathappa 2009.)

2.2 The nature of business

To put it simply, the nature of business is to make and earn profit in the process of transaction. One complete society cannot live without the business operations and the round circle includes the supply chain, job opportunities, currency flows, quality of life and the economic growth. Business needs people to bring out the production, and at the same time people need business to create the environment and satisfy the necessities of life. All business activities like trades, production and banking offers the supply, and being needed in the society environment. In the modern world, people can even do business online (Facebook, YouTube and eBay) or sell the products overseas through the various types of marketing and transportation (Airplane, Fedex). (Aswathappa 2009; Alasdair & Hitchcock 2001.)

2.3 Objective and mission of business

In another words, there are three main concepts which were mentioned by Aswathappa (2009.) Vision is the first objective which means having the planned proposal to make the common values in the business operations. A suitable way can carry out the effective vision and reach the final target place, for example, having the slogan or strategy for employees to complete the goal. The second concept is the mission. Aswathappa (2009.) pointed out the importance of the basic objectives about 3 W (What, who and how) in an organization. The last concept is combined with a few factors like profit, market leadership, challenge, innovation and resources. All these factors are the necessary parts to be the successful business. (Aswathappa 2009.)

The priority development, quality, direction and policy of business are also the

objectives of Business Company. For example, the big international hotel chain needs to have discussion, research or meetings before building the hotels in the new regions. (Cherunilam 2010.) One of the Mahajan's theory of business referred that "Vision, Evolution and Transformation Drive Long-term Growth." It can be said that the appropriate changes and new ideas can make the effective growth of the strategy of businesses. (Mahajan 2008.)

2.4 Globalization with business challenges

"Globalization is what happens when the movement of people, goods, or ideas among countries and regions accelerates", said Suarez-Orozco, who mentioned this in the book of Globalization: Culture and Education in the New Millennium. Access the long history of transaction, globalization is related to the culture, society or economic development nowadays. (Suárez-Orozco & Qin-Hilliard 2004.) Business ethics is one of the controversial topics about how to build up the best formal or informal rules of people's behavior in the global society. One of the business challenges is one business culture which is accepted or suitable for most people, and the rapid development of globalization is also making the businessmen need to have the global mind ideas and management methods. (Homann et al 2007.) Moreover, technological innovations and industrial revolutions, it makes lots of companies need to consider the cost of goods, types of transport, communication tools or operation strategies. In the long-term challenges, the high technology products will be the main flows of modern society. Relatively, the traditional products are out of the general uses and being eliminated gradually. In the economic aspects, globalization can also attract global transactions especially for the big companies; the amounts of international companies and large-scale projects are both rising in marketing. (Guy 2009.) Besides all the above description of business challenges, cultural exchange is giving another way to have the new idea for management and the mode of communication, for example, the industry country of China is mainly being the central manufacturer based on the lowest cost of salary, and large population, for example the company like Apple, whose supply chain has been divided into the USA, China, Korea and Taiwan. Each country has the main tasks, like the USA that is required to do the design, the operating system (IOS)

and applications. The CEO Steve Jobs said the reason is that the Asian industries can make the production really fast, flexibly and in the biggest scale. (Chaffin 2013.) In this case, globalization can bring out the risks of resources allocation during the global competitors and business interaction, and the businessman needs to have the long-term strategies for management and future plan during the globalization phenomenon. (Suárez-Orozco & Qin-Hilliard 2004.)

3 The sociocultural environment

Among the different factors which generate and affect the global business environment, there are six synthesized external factors that include the Sociocultural (S), Economic (E), Technology (T), Political/Government (P), International (I) and Natural factors (N). (STEPIN). Focus on the topic of Macao's sociocultural aspects, the sociocultural environment will become the central discussion and analyzing background for doing business. (Rao 2010.)

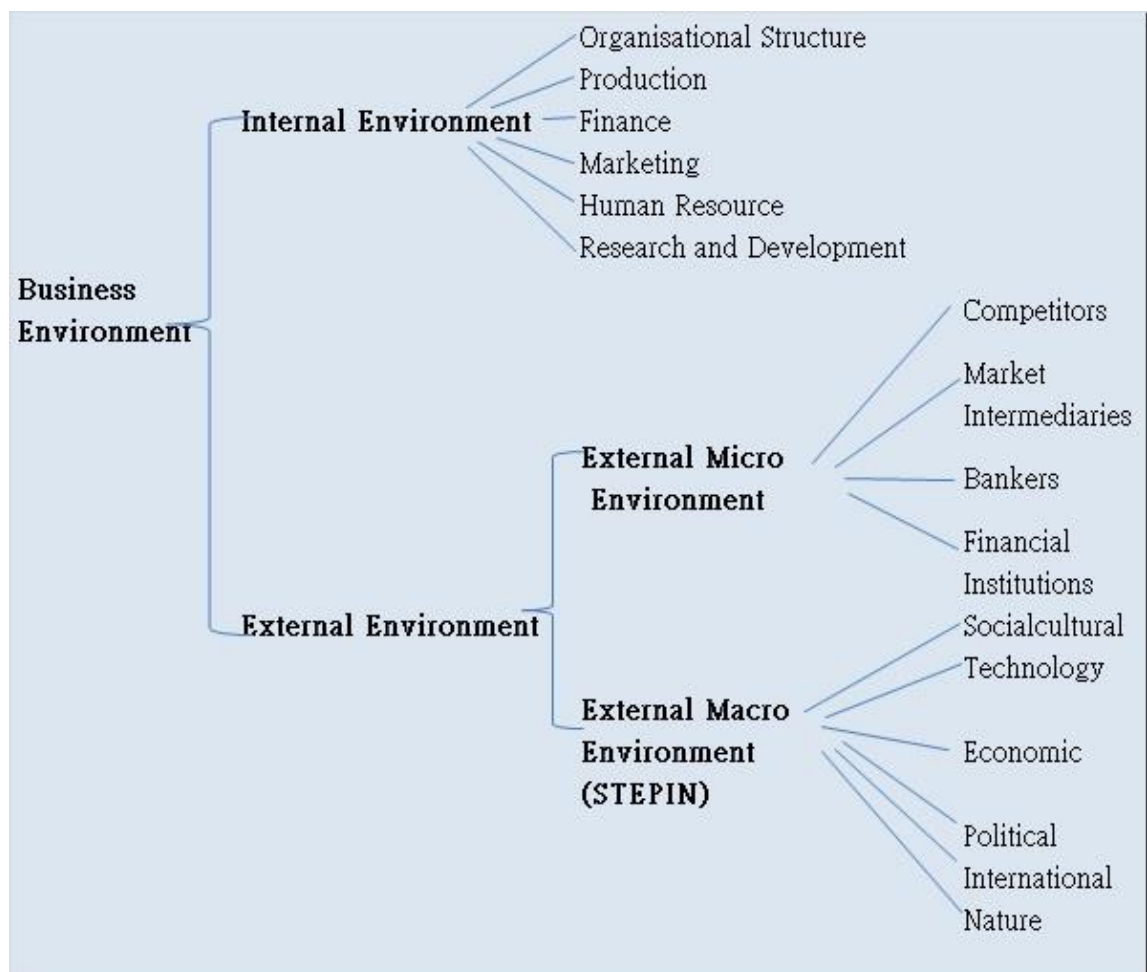


Figure1. Business Environment (Rao 2010)

According to the clear framework, Figure 1 shows the conception about the business environment like the classification of internal and external environment, and also the production, marketing and human resources, etc. which are included in the internal business environment. Contrasts, the six factors (STEPIN) are contained in the external Macro environment. (Rao 2010.)

3.1 Definition and feature

Sociocultural factors refer to the related relationship between the religion, education, family, and marriage, human relations, ethics and social responsibilities, etc. (Rao 2010). All the above factors of sociocultural environment will have the in-depth description and discussion in the following sections.

3.2 Religion

Religion is one of the important factors in the sociocultural environment and business; there are lots of religions in the world like the Protestants, Roman Catholics, Islam, Buddhism and Hinduism. For example, Protestantism is mainly affected in the USA, Australia and Canada. Roman Catholics are active in Latin America, and some countries in Southern Europe. Islam is occupied from Middle East, Northern Africa, and Malaysia, etc. Buddhism and Hinduism are dominated in most countries or regions of Asia. The various cultures have the different ethics, rules and principles about the elements in society, and there exists the diversity discrepancy based on the different attitudes, and believes in the world. (Rao 2010.)

In 2010, a report written by World Trade Press mentioned that there are totally 40% people have religions in Macao, including 17% Buddhists, 14% people who are both believes Buddhists, Taoists and Confucians, 7% Roman Catholics and 2 % Protestants. These figures described the multicultural background and religions history due to the impacts of western ideology. A Buddhism and Roman Catholicism have an important role in people's ethics and social attitudes based on the religious schools of Roman Catholicism and Buddhism. (World Trade Press 2010.)

Affected by the various religion backgrounds, most people believe that the traditional habits or events can bring out good luck. For example, the opening of Galaxy Macau from Galaxy Entertainment Group Limited at 2011, the performance of Lion dance, ribbon dance and firecrackers are totally displayed the characteristic of Asia region (PR Newswire 2011.) Since these traditional activities and attitudes are affected by the Buddhism's concepts, and the deeply awareness after many generations' ideology.

3.3 Education

Within the considerable revenues from gambling, Macao government issues the law on "Non-tertiary education system" which has the free education, and started the plan from the 3 years' kindergarten, 6 years' primary school and the secondary school of 6 years, so it has the full implementation during 15 years. (People News 2007; Macao Special Administrative Region 2006.)

The free education resources can decrease the pressures and payments which people need to pay for studying at school, also more students can study at the suitable place with the perfect environment and resources. On the other hand, the education strategy attracts more cooperation by the international education organization like the exchange program and scholarship for local students. The Portugal program of high school Macao students is one of the examples of professional legal training from Macao Tertiary Education Foundation at 2004. The aims are focusing on the legal professionals about the Language of Chinese and Portuguese. Every suitable new student and existing student from period years can also have the subvention of MOP 65,000 for one year. After finished the degree courses at Portugal, students need to come back and doing related services at leave three years in Macao. (Macao Foundation 2013.) Therefore, the diversified activities can increase the chances of business interaction, and also enhancing Macao's education competitiveness.

3.4 Family and marriage

The local Macao women have the personal priority and freedom to get married;

they can use their husband's surname after getting married. If the marriage ends in divorce, women can have personal authority to divorce and also allow to share and separate the property (World Trade Press 2010.) According to the equal rights and obligations of couples (Macao Special Administrative Region 1999), marriage needs to have the base foundation of the equal priority from each other, the management of family affairs owned by all the parties, and the precondition of marriage is according to the benefits of two sides and how to have the common life which gains the consensus of agreement.

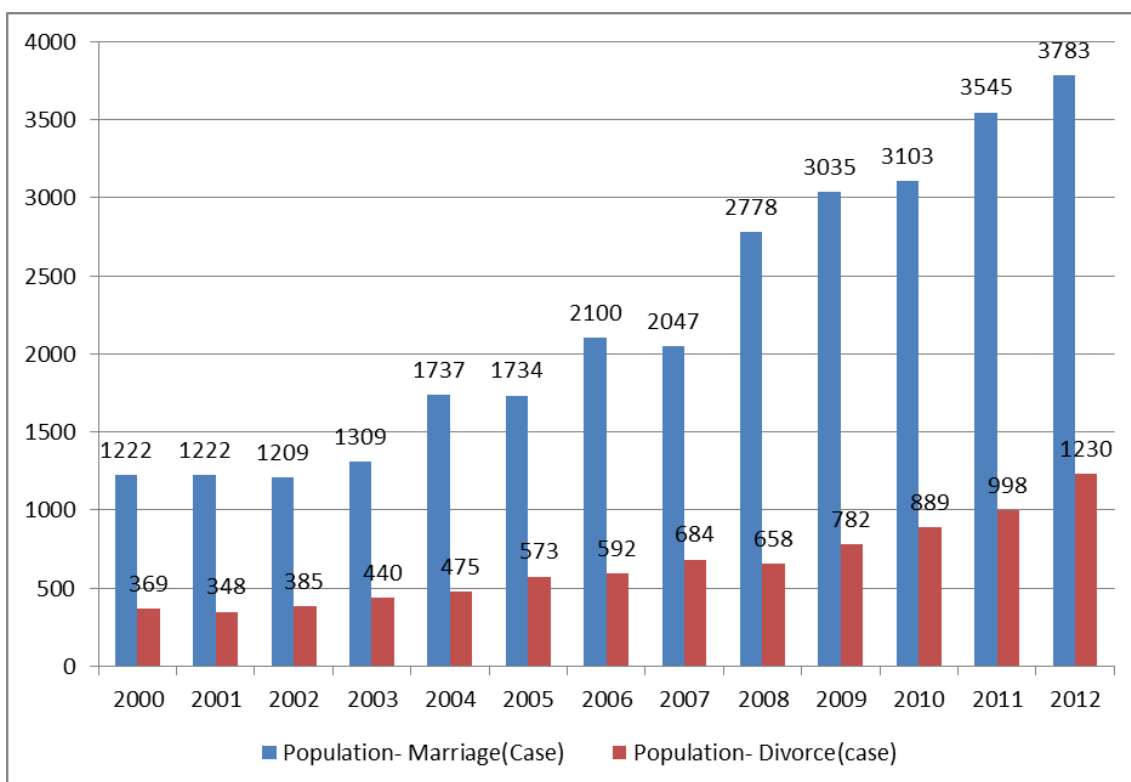


Figure 2. Marriages and Divorces from 2000 to 2012 in Macao (Statistics and Census Service 2012a.)

As figure 2 shows, more people get married and also divorce. The gaps of figures from the blue side (Marriage) and the red side (Divorce) which had not existed the increases significantly, but also keeping the certainly increases start on 2007.

The labor force		
	The percentage of labor force(%)*	
	Male	Female
	%	%
2000	74.6	55.3
2001	74.8	56.4
2002	70.9	55.4
2003	70.0	53.5
2004	70.4	55.0
2005	70.9	56.8
2006	73.4	58.7
2007	75.6	61.9
2008	77.2	64.6
2009	78.2	66.9
2010	78.0	66.6
2011	78.1	67.5
2012	78.6	66.8

*According to the labor relation laws focused on the lowest age is 16 years old. The government of Macao Special Administrative Region Statistics and Census Service had changed to 16 years old from 14 years old. The data started from 11/2008 is recorded by the new changes.

Figure 3. The labor force of local people from 2000 to 2012 in Macao (Statistics and Census Service 2012b.)

Based on the development in the labour market, females and males can both have more chances to enter into the job market. The data of employment (Figure 3) shows the rapid increase in especially for female local people. This phenomenon can generate the social risks of “Reconciling work and family life”, and it means people need to balance their working and family time. (Chan et al. 2010.)

Nowadays, the average age of gambling workers is more than 30 years including both of the genders. The female workers are usually focused on the work in public relations, and often they are less educated than the younger workers. Therefore, the gambling business is lack of enough professional skills and resources for innovation. (Hou Kong Daily 2012.) That is one of the difficult

topics about the future of gambling business. On the other hand, the high figures of marriage and divorces show the potential problems especially for the “gambling family” (Both of the family members work at the gambling industry). The problems are focused on the time spending together or lifestyle. The gambling industry has also appeared the rapid flows of human resources due to the competitiveness of other gambling companies. The highest salary can attract more people apply the job, and at the same time the small enterprises will face to the shortage of human resources. (Isun Affairs 2013.)

3.5 Human relations

As Macao is one of the Asian countries, the status of relationships certainly effects on business companies, human relations or believes between two persons. The Chinese word of “Guanxi” refers to the long-term business relationship which is the connection of personal relations, and it is the complex network links to the human favors and business interpersonal. For example, people who come from the same place that the trust among the relationship will enhance to develop the effective objectives or human relations. Therefore, Guanxi can say it is more than the simple friendship and normal interpersonal relationship. (Luo 2007.) Besides, the paternalistic leadership that focused on opening to share the ideas, and concern about the cares with the employees. If the contents are not suitable to use in the public discussion, the private meetings will use to solve the problems, and also having the stable relationship based on the harmony and caring reasons. On the other hand, the autocratic leadership doesn’t focus on having communication and interaction with employees; strict orders and requests are usually used in the business management. (Leung and White 2004.)

3.6 Ethics and social responsibilities

In 2012, Macao government set the laws which focus on people who are smoking at indoor workplaces, including the educational institutes and public transportation, etc. If people violate the laws like smoking at the prohibited place or the health care facilities, the penalties will cost MOP 400 (€ 40) and MOP

600(€ 60). The crime of general disobedience will also become effective if people don't follow the orders from the inspectors. The highest imprisonment can also be liable to one year. This is one of the examples about the social responsibilities for people who are the local people or tourists in Macao. The goals are created for the fresh environment and they limit the number of smoking people. (Macao Special Administrative Region 2011.)

On the other hand, the smoking law which is limited the way of doing business. After the law has become effective, lots of tourist places and parks are prohibited smoking at there. The gambling industry is also divided into smoking and non-smoking areas. Some places, like a lounge and a toilet, are also non-smoking areas. Therefore, this is one of the limitations of doing business in Macao. (Macao Special Administrative Region 2011.)

4. Culture

“Culture, or civilization...is that complex whole which includes knowledge, belief, art, law, morals, custom, and any other capabilities and habits acquired by man as a member of society.” This definition of culture was written by Edward Tylor to describe the meaning on this book Primitive culture in 1871. On the other hand, Bernardo had the hypothesis that culture can be defined as a part of objects, and the components like art, custom and religion are connected with each other as the cells which composed the body. (Bernardo 2011.)

The other two authors, Catherine Bartlett and Aira Davidsson (2008), described that culture is hard to define. There are three basic levels to conclude the aspects of various fields.

1. Objects, art and artefacts, the most clear and easy level to identify the culture from these two ways, the smooth development and it will not cause any problems during the process. 2. Norms and values, the methods which are harder than gaining the answers due to the norms will limit the things which are correct or incorrect to do in the research. Rather, values can decide what things are good, bad or desirable to choose, and also generating the diversity in the

cultural dimensions. 3. The basic hypothesis, the most unclear background and hidden information of hypothesis. For example, the stereotypes of black skin people who come from Africa; and actually that person was born in Europe. Thus it is difficult to change people's basic hypothesis and decision. (Barlett and Davidsson 2008.)

Summarily, culture can combine the daily behavior or activities of people like the ways of doing plan, living styles or technology development, etc. The book "Introduction to Culture Studies" which is written by Rai Rumina and Kishwar Panna, mentioned about many features of culture. For example, culture had the uniqueness to play the different habits from the human group; it is needed as being the distance or discrepancy from every various members, groups, communities and identity. (Rumina & Kishwar 2010.)



Figure 4. The features of culture (Rumina & Kishwar 2010.)

In the figure 4, the words and explanation that the authors had described in the book can give the information about feature of culture clearly. (Rumina & Kishwar 2010.)

4.1 The layers of culture

The layers of culture can be described as an onion that can be divided into three layers (outer, middle and core). The outer layers, like the explicit products of

visible behavior, buildings or language; the middle layers are focused on the norms and values; the existence of assumptions is becoming the core layers. (Trompenaars & Hampden-Turner 1998.) As the detailed categorizes of layers of culture, the four layers of national, business, organizational culture, and individual behavior can role and generate the explicit central factors of culture. In the national culture, the geography situation, roles of gender, the institutions of country, historic centres, routines of life, common language, attitudes of family and moral values have the closed relationship to develop the organizational culture, regulation representation and political framework. For example, the historical background of Macao that the Portuguese entered into Macao and it developed into a special and independent territory since 1513. Based on various affected aspects of spoken languages, official language and radios, Macao's official languages are still concluded into two ways of Portuguese and Chinese nowadays. Chinese (mainly Cantonese) is the daily language, and also English is usually spoken and used in business or tourism. (Walden Publishing Ltd 2006 & BBC News Asia 2013.)

Focus on the topic of business aspects, business and organizational culture will include more introduction and information in the following small topics. Among the part of individual behavior, it refers to the values, personality, perception and the personal skills, etc. (Hiriyappa 2009.) All these factors determine the behavior and attitudes which will act in the society, and also the different views based on the same incidents, for example, the style of doing business. Some autocratic managers will do punishment when employees are late. The paternalistic managers are focused on listening feedback or suggestions from workers, and also find out the problems by the good loyalty from the same incident. (Brick 2012.)

4.1.1 Business culture

The most good understanding and explanation of business culture is the production of culture shock as well as the different cultural background. The various business cultures mainly generate the different organizational structures, workforce, communication, and the non-verbal communication. (Marx 2001.)

The international company with multi-cultural employees even faced to the challenges of conflicts, the corporation of team work, languages, communication and the cultural contraindications. In Macao, meals with the customers or superiors are the usual social ways which develop the network relationship and doing business. If you attend a formal meeting, you should dress formally for both of ladies and men, and it will represent the respect and sincerity of the meeting. The best way for guests is to arrive a little bit early before the meeting is ready to start due to the importance of the meeting. (Australian Trade Commission 2012 & World Trade Press 2010.)

Pocket money is a traditional custom of the Chinese New Year in Hong Kong and Macao. Most of the large firms' managers will usually give a certain amount of money to the staff before starting work during the spring festival. Macao's people and society also had the same phenomenon based on the similar life style and language with Hong Kong. The main goal is not focused on the values of money, but they believe making good luck for the New Year. The normal amounts are HKD 10 (EUR 1), or HKD 20, (EUR 2) for married people who give money to an unmarried person. The brand like Cheung Kong (Holdings) Limited which the chairman Mr. Li Ka-shing distributes the pocket money to the media workers many times in the Chinese New Year in 2012. The amounts can be more than one hundred Hong Kong dollars (EUR 10), or even up to one thousand Hong Kong dollars (EUR100). (Wenweipo company 2012.)

The opening day is also important especially for Asian business companies; usually the enterprises will prepare the foods like fruits, roasted pork and incense on that day. The aim of this meal is to pray for good luck and business. Some big companies will also pay attention to the date of opening day; the good date will be chosen on the lunar calendar and Feng Shui concepts which also mean the coming of good luck. In addition, the performance of lion dance, basket of flowers and firecrackers are one of the traditional ways before starting business. Further, the god of land is the major characteristic and representative of Buddhism and Asian business culture, and also there is one small altar near the ground or one huge altar with statue placed in companies. Therefore, this traditional business culture is mostly affected by the religions of Buddhism, and

the deep attitudes of Chinese history. (Fong 1998.)

4.1.2 Organizational culture

The organizational culture is the central part of the research and others management theory. One organization cannot ignore the cultural issues about how to organize the company by the employee's feelings, beliefs, attitudes or values. Furthermore, understanding organizational culture can be one of the difficult tasks for managers and companies. Although there are lots of framework or concepts of culture like pay more attention and deeply understand how the employees act as describe as in the theory. When the practical experience had existed, the framework and cultural awareness can only be the reference and thinking way to act in the real affairs. (Alvesson 2002.) In the research of assessing the Influence of Organizational Culture in the SMEs of Macao mentioned that the organizational culture is the mode of beliefs and values, and also help to understand the norms, behavior and function for individuals in an organization. (Qing and Jin 2013.)

Except for the general explanation of organizational culture, the social responsibility, teamwork, performance oriented, innovation and harmony, etc. are all the important factors of the quantitative approach about the organizational culture values. (Desphande and Webster 1989.)

4.2 Hofstede's cultural dimensions theory and model

As mentioned before in many business and cultural theories, one of the effective ways to analyze and explain the cultural information is providing the model of Hofstede's dimensions to be the supporting evidence. The function of this model can recognize the values and influence in society by the various five topics (Power distance, Individualism, Masculinity/Femininity, Uncertainty avoidance and Long term orientation). Within the five ranges, there are high or low figures to represent the meanings with each of them. (Hofstede 2001.)

In the power distance, the high power distance can equal to the hierarchy system, the importance of status, orders and opinions from boss are the first

consideration or people is accepted the unequally power distribution. On the other hand, the low power distance can understand the less control and flexible organization from boss, and also the employees can access the opinions to the boss. (Barttlet and Davidson 2008.)

Individualism can be described as the level of interdependence in a society which people focus on looking after themselves and the related family. They usually use the word of "I" or "We" and needs the personal responsibility by finished the work alone. Relatively to the feature of Individual, the high flows of job turnover and negotiation that appears to the individual person. The word of "We" is always using to people of group quality; they like to make decision by team work and also having the good motion to achieve the goal. Comparing to the individual person, the flows of turnover is obviously lower than people who have the group feature. (Hofstede 2001; Barttlet & Davidson 2008.)

The high score of masculinity means being success is the winner and that is the necessary method to achieve the feelings of success. The ways can include the competition, organizational behavior, experience or personal skills. The femininity society just have focused on the quality of life, success is emerged to the values of caring people and their needs. People will think that showing the individualism is not suitable to appear in society. (Hofstede 2001; Barttlet & Davidson 2008.)

"The attitudes for members to think out of the unknown affairs and future." this is the general characteristic of uncertainty avoidance. The low score of uncertainly avoidance refers that people have beliefs and rules to protect their life, and also people feel uncomfortable and disturbed feelings when the score is low. (Hofstede 2001.)

The last factor is the definition of long term orientation which it refers to the distance of long or short in one society's future, planning or investment. The high score of country that showing the pragmatic future-oriented attitudes. People are also emphasized the practical effectiveness and long-term planning. Contrast, the country which has the low score will focus on the historical experience or

rapid results on the short-term period. (Hofstede 2001 & .2010.)

After the sufficient introduction of analyzing the background of Geert Hofstede, the scores of Hong Kong will be the supporting evidence to Macao, and also having the related analysis. Although the details are not totally alike to Macao, but the following analyze is enough to be the research based on the analogous cultural background and people's attainment.

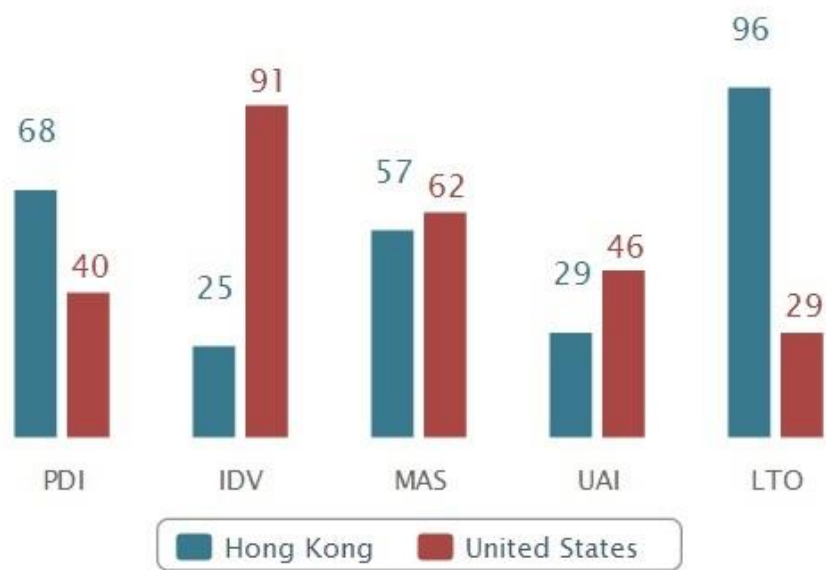


Figure 5. The Geert Hofstede score of Hong Kong and the United States (Hofstede 2013a.)

As Figure 5 shows, the comparison between Hong Kong and the United States can be described from the following points:

Hong Kong	United States
1. PDI (68)	1. PDI (40)
High score of Power distance. People focus on requiring or influencing by the formal rules, authority and framework.	Low score of Power distance. "Equity and justice" are the central ideas of the society. The relationship between managers and employees can have the comfortable and open environment.

2. IDV (25)	2. IDV (91)
Collectivist culture. The group action or consideration usually happen and exist the indirect communication, harmony and the importance of relationship.	Individualistic culture. The Independent life and personal development, people tend to look after themselves and also the employees are expected to be initiative and mature.
3. MAS (57)	3. MAS (62)
Masculine society. Being successful is the main task for most people and the general phenomenon which people will work for many hours and the ranking is one of the references to win or lose.	Masculine society. People like working or being successful in school, work or life. Working achievement is the best things to share and talk in American's daily life.
4. UAI (29)	4. UAI (46)
Low score of uncertainty avoidance. Based on the development of rules and laws, people can easily suit the environment and the flexible life.	The score of 46 cannot be divided into the range of lowest part; because people usually accept the uncertainty based on they tend to the innovative products, ideas and freedom.
5. LTO (96)	5. LTO (29)
High score of long term orientation. The normal determination and persistence can necessarily help to have the strategy perfectly.	Short term oriented culture. In an American society, the biggest profit and successes in the short-term period is the best performance especially in business.

Table1. The culture comparison of Hong Kong and the United States by Greet Hofstede (Hofstede 2013b)

Followed on the list of explanation about Hong Kong and the United States, the distinct description had showed the difference and same cultural situation even though Hong Kong is existed in Asia region, and the other one in America. For

the deep analysis, culture can be expressed the historical background and also represented the pattern of working or business environment. For example, Hong Kong's society is needed the team work and spent with long working time. But the American society will focus on the individual successes, and having the comfortable business atmosphere.

Refer to the analysis of Hong Kong; there are five points which will use the same scores of Hong Kong, and also the related research of Macao's society and the business background.

1. PDI (68)

According to the percentage about the Buddhists in Macao, already mentioned in chapter 3, the attitudes, ideas and behaviors have the deep impacts in the aspects of values and life, for example, the students will focus on the scores of results and success is being divided into the range of high scores. Moreover, people are usually accepted the order and guidelines that how to do the things, the high marks of PDI can also represent the limited freedom among the laws and rules. (Rao 2010.)

2. IDV (25)

The society with harmony and collectivist culture in Macao is based on the traditional human relations of the Chinese word "Guanxi". People usually have the familiar feelings or situations when they come from the same place. Naturally, the word of "relationship" becomes one of the important rounds especially in the business environment. In the harmony systems, managers are seldom communicating to the employees directly, but they usually focus on the group meeting and the peaceful atmosphere. (Leung and White 2004.) More details of the human relations in Macao have already been mentioned in chapter 3.

3. MAS (57)

Being a masculine society, successes are the necessary symbols to achieve the

goals. Moreover, the gender equality is developing steadily and 67% of women are working in Macao in 2013. The high percentage showed women have more chances and skills to work nowadays. (Jornal do Cidadão 2013.) “Overwork” is also the general phenomenon in business. The employees usually work eight hours a day, but there are some companies that require signing the contracts that the employees accept voluntarily. The goal is dealing with the massive workload especially for hotels. (Macao Special Administrative Region 2008.) On the other hand, people usually have a few jobs to earn more incomes during the rapid society development.

4. UAI (29)

In 2013, Macao government is carrying out the Wealth Partaking Scheme that the permanent residents in Macao can receive money of MOP 8000 (EUR 800) for free, and the non-permanent Macao residents also can receive MOP 4,800 (EUR 480) for free. The permanent and non-permanent Macao residents can receive the money from government by putting the bank cheque in their bank account. One of the goals of this wealth scheme is solving the pressure of inflation, and increasing the development of economic and marketing. (Macao Special Administrative Region 2013.) Among the diversified protected facilities in Macao which are providing the potential evidence about the low scores of uncertainly avoidance.

5. LTO (96)

The high score of long term orientation can be described as a long term decision about future and development. As the Macau Development Strategy Research Centre had issued one of the strategies about Macao’s relationship of tourism and gambling industry, the research had also mentioned that the effective and suitable controls about the rapid development of gambling will have the diversity style of tourism, and also the exhibition and wholesales industry would have the relative extents of growth. (Macau Development Strategy Research Centre 2011.)

Summarily, the generation of cultural process is the basic foundation of one country's trends, and also the reference about the main business behavior or atmosphere. The culture effects on business, for example skirts or suits in important main occasions, the way of meetings and the limited negotiation topics like political, religions and salary. The most challenging for various cultural situations is the way how to take the balance among the different cultures and people in team work or communicate with each other. Managers will face the dilemma that the problems of language, attitudes and special habits. At this time, having the global mind and various solving ways are the key of success about handling and suiting the various dilemma.

In Macao, there are totally 121,194 non-resident workers who work in various professions, and they usually come from Mainland China, Philippines, Vietnam, Hong Kong, Indonesia, Nepal, Thailand, Malaysia and Taiwan, etc. (Human Resources Office 2013.) In the multi-cultural business environment, the local people especially for the employees and managers had the management risks when managing the non-resident workers.

4.3 Cross-cultural business environment

As Teun Adrianus Van Dijk (1985) mentioned, the cross-cultural communication can be explained by people who come from different countries or speak with different languages, and even people who come at the same place that will also consider the various growth background, region, age or gender. (Dijk 1985.) In business society, the factor of cross-culture can also include as one of the important discussion or topics like how to manage or control the meetings, team work or negotiations in the cross-cultural environment, the marketing strategy or planning when communicating with people who have totally different culture background, they are all the possible consideration which faced to managers and employees (Mitchell 2000.) Following the diversity of cross-cultural factors, there are two aspects that have been focused on to describe more about the multicultural environment.

Cross-cultural meetings: The styles of meetings are usually divided into formal and informal. In the Asian cultures, the formal meetings are more demanding than in most European cultures. Moreover, the different generations, like young people, have less formal styles than older generations and the different scales of entrepreneur have the various levels of formal or informal management. (Mitchell 2000.) Nowadays, lots of companies use technology products or plan to attract the young generation, for example in Taiwan, using Ipad when doing interviews or curriculum vitae for interviewers. (Yahoo News 2013.) Being the multi-cultural background of Macao, western modes of business are currently entered in Macao's new firms like the way of party is one of the normal methods to have good communication and relationship.

Cross-cultural Team and Marketing strategy: It is important for an international team to have a professional manager who has a global view to the various business challenges. As Mitchell Charles (2000) mentioned, meaning or actions which the global minded managers how they can do it practically, for example, accepting the difference and balance the conflicts with the international team workers, solving problems by using more than one approach due to the unsatisfied needs of the cross-culture team, and also focusing on inclusion more than exclusion when doing management style. On the other hand, there is something that managers must understand before doing global marketing; it is the question about why the marketing strategy needs to be global. Technology development improves the distance and the communication changes the limited ranges of business, they are all the necessary preparation for recognizing or learning it when doing the professional management. (Mitchell 2000.)

4.4 Relationship between culture and business

The direct factors of business activities on cultural affairs can focus on sponsoring the cultural organization, providing the space for cultural spreads or increasing the business chances by the attraction of tourist, these are all the close relationship between business and culture. In addition, besides the advantages of employment and benefits which mentioned it before, developing the arts can change people's attitudes about life. The innovation of building

design and environment that can improve and increase the cultural awareness and people's quality of life. (Aswathappa 2009.)

The indirect factors between culture and business can say the coexistence about two wins situation. One good culture community can bring out better quality of citizens, more opportunities for youngsters to challenge themselves, and also the crime and conflicts are decreased at the same time. Being one of the countries of the World Heritage in Macao in 2005, the cultural preservation is one of the important topics for residents and government. (Aswathappa 2009.) In 2004, the establishment of Macao Heritage Ambassadors Association encouraged people to attend the education and protection of culture, and also being the first youth education place from the UNESCO (United Nations Educational, Scientific and Cultural Organization) Asia-Pacific region in 2010. (Macao Heritage Ambassadors Association 2010.)

5 Analyze of Macao's cultural challenges in business

After the theory part about culture and sociocultural environment, the focus will be now on various aspects of practical experience or examples to analyze deeply Macao's existed cultural challenges and phenomenon that people have ignored in business environment.

5.1 The creation of Macao's culture

Culture is combined with lots of various factors like geographical environment, historical background and people's behavior. After all the elements have been mixing together for many years, people have differentiation about attitudes, religions and awareness at the same affairs. Further, culture and business have a close relationship. The process and generating of business effects have generally impacted from it.

The discussion of globalization and culture has already been mentioned in the theory part in chapter 2 and 4. In the following part of Macao's culture, historical background is the main reference which refers to the business effects in Macao.

Macao in the colonial period of Portugal (1557-1949)

The best geographical situation of Macao was one of the reasons why Portuguese occupied and transformed it the trading port to the foreign countries. In 1847, Portugal issued that gambling is legal in Macao and it also has the basic foundation after the gambling development. Further, the three traditional handicraft industries (Firecrackers, matches and incense) also had large percentage, but Macao's economic activities are declining after Hong Kong is the trading port. (Yuan and Yuan 1988.)

Macao's phenomenon after the World War II (1949-1999)

After the World War II, gambling has become the only one reference of Macao's central economic. In 1961, the Oversea Department of Portuguese Government issued the decree no. 18267. After that Macao is fixed to the tourist area and accepted gambling. Moreover, gambling is the largest revenue of Macao government. (Yuan & Yuan 1998; Trigo de Sousa 2009.)

The issue of Macao as a Chinese Special Administrative Region (1999-2004)

Except for gambling industries, tourism is another new industry which develops Macao's economic. The good economic flows made lots of foreign banks enter Macao. In 1999, the cooperation between Portugal and Macao has encouraged the trades and common development; it also makes lots of new challenges in Macao's commerce and industry. (Yuan and Yuan 1998 & Trigo de Sousa 2009.)

In reference to the above history description, we can see that Macao's gambling development has not generated recently, and there exists other problems and challenges that Macao's government is dependent on only the gambling industry.

1. Affecting the social stability and increasing the chances of crime
2. Limited the society's economic trends by one single industry
3. The challenges of innovation and development of other industries

4. The saturation of gambling made the loss of professional skills
5. Lack of the long term strategies of Macao's economic development
6. Affecting the attitudes and behavior of young generation
7. The new trends of cultural production
8. The oblivion of traditional cultural background
9. The challenges of culture and gambling's common development

In addition to these, there are lots of news about the problem of pathological gamblers, whose number has increased from 2003 to 2011. Moreover, the director Dr. Fong, Ka Chio of the institute from University of Macau described that you can find one pathological gambler in ten gamblers, so this is the problem that needs more promotion about gambling responsibly, although the figures of 2011 have increased slowly. (China News 2010 & Hong Kong China News Agency 2011a.)

5.2 Business behavior and etiquette

Besides the society crisis and cultural challenges, business behavior and etiquette are also one of the affected aspects based on the various cultural background. Gesteland and Seyk (2002) provided three keys which help to understand the way how to connect Asian business with westerners.

Relationship

Asians prefer to do business with family, friends, or people who have solid connections and trusted with each other. They are seldom talking business with unknown people, especially strangers. If westerners want to have deals with Asian firms, the simply introduction or meetings are good way for them to know more before doing business. (Gesteland & Seyk 2002.)

Hierarchies

“Status, Power, and Respect” are the three main obvious characteristic of hierarchies in Asian cultures. The highest degree of hierarchy is especially

showed in Asia countries, but it cannot limit the happened chances in foreign countries. For example, the differences between the seats of resident, managers and employees, the sequence of opinions in meetings and the importance of “Face”. (Gesteland & Seyk 2002.)

The concept of Time

The concept of time can represent types and elements of culture, and generally it is divided into three aspects of Monochronic, Moderately Monochronic, and Polychronic business cultures. Singapore, Hong Kong, Taiwan and China are included into the type of Moderately Monochronic, so these four countries are focused on meetings by plan, and also people will strictly comply with orders from higher position. (Gesteland & Seyk 2002.)

Summarized to the above information of Asian Business behavior, it would give the basic phenomenon about Macao’s business patterns which do not leave without these three factors. Going through the international business is rapidly increasing nowadays, the international business behavior and etiquette are necessary to learn to make a successful career in the unique Asian cultures.

Following on the four points, there are some references for doing business in Asian regions. (DuPont 1998.)

1. The traditional attitudes of relationship in Asia cannot change it anymore, but keeping enough personal information or spaces are better than you are enthusiastic to show your friendly mood.
2. Effective communication is more important than showing hierarchy especially in Business Company. Managers need to focus on how to do the process by the suitable method and having open mind ideas.
3. The various concepts of time are existing certainly in the international company. Speaking and listening can bring out the valid communication, and the most major things are formulating the common guidelines which are accepted by most of employees.

In view of Macao’s business behavior and etiquette, the table 2 which shows the

simple description about Macao's business tips and attention points, and also analyzing the challenges based on this related information later.

Etiquette and Customs in Macao	
1. Meetings	Handshake is common to use for westerners. Simple introduction in meetings and also have the western names for people to call them. The formal dressing is normally requested in formal meetings.
2. Gift Giving	The colors of white, blue, green and red have various meanings about good and bad luck. For example, knives, white flowers, scissors, green hats, etc. give people bad feelings. Number 8 is a lucky number, the unlucky number is 4. People usually give unopened gifts with both hands.
3. Dining	The toast is usually offered by the host. Eating starts when the host tells to begin. Summarily, the table manners in Macao are not difficult or strict to follow.
4. Business Negotiations	Small talk normally happens before or after the business discussions. Keeping the good mood can avoid the unnecessary conflicts, and also the high-pressure strategies are not welcomed to use in Macao.
5. Business card	Exchanging business cards can represent respect if you are holding it with both hands. In the business card, providing your translated Chinese name and the job title can help people to know you more.
6. Relationships	Long-term business relationships. The general business phenomenon is to have meals with customers after or during doing business, because it can build up networks for the

	long-term business partners.
--	------------------------------

Table 2. Etiquette and Customs in Macao (Bogartier 2013.)

Besides the different Etiquette and Customs in Macao, there are also another challenges in the social relationships for westerners and businessmen. Non-verbal communication is one of the major challenges, like being silent in meetings. The signal of silence can be represented to accept something or have no comment to all opinions. Therefore, the westerners will not know about the real meanings of employees or how to manage the human resources in the right way. Moreover, personal space is another dilemma to have consensus between Asian and westerners. According to Mitchell (2000), mentioned that there are divided into three steps (0-18 inches, 18 inches and 4-12 feet) about the difference between close friends, interpersonal and formal interactions in American culture. In contrast, Asian is seldom to consider the distance of social relationship or personal space, they use another way to show and connect the warmth relationship, so it is the difference of culture shock and also these are all the consideration for managers and westerns especially for the management of international business. (Mitchell 2000.)

Kou (2013) thought that the concept of time is the main factor in doing business management especially in the customer service, which is an important industry in Macao. It also means the concept of time is the basic requirement of Macao's business, and it can show politeness and sincerity to your business partners. Further, Kou described that the clothing etiquette certainly has effects on company's image, the tidy appearance and hair accessories can bring out good impression for customers. During the interview process, he had also mentioned the phenomenon of "relationship" in Macao nowadays. He said the relationship attitudes are still having significant importance although the ICAC (Independent Commission Against Corruption) has already had effective controls of Macao's corruption. In summary, he thought that various companies will have different business behavior and etiquette, and the main points will not leave without the basic etiquettes which were mentioned before in Macao's cultural challenges since China's religions, Confucian or Taoism, have had the deep effects in Macao's society.

5.3 The advantages and disadvantages of Macao's culture and business

From the view of sociocultural background, the importance of relationship between culture and business has already mentioned in chapter 5, and also the generally business behavior and customs in Macao are concluded in chapter 6.1 to 6.3. Further, analyzing the advantages and disadvantages of Macao's business culture society is necessary for being successful investors and managers.

(1) Macao's history

Advantages: Multicultural background of Portugal and Chinese had provided the diversity attitudes and inclusion. The preferential policies like having the Portugal's passport, and also being the citizen when local Macao people applied it at Portugal's embassy. (Portal das Comunidades Portuguesas 2006.)

Disadvantages: The management of two different countries' strategies and the special history of domination made the dilemma of cultural identity after the colonial period. The stable local culture and cultural structure are refreshed as Macao's story after returning the powers to China. Although the local people grew up and live in the multicultural background, the cultural development, especially the business culture, needs more understanding and opening advanced spaces. (Li 2005.)

(2) Hotel industries

Advantages: Many grand hotels have entered into Macao's market. Each employee gets professional training in order to maintain the quality of service. Further, a hotel company like The Venetian is organizing workshops, dragon boat events or staff awards to have good interaction and relationships. (The Venetian hotel 2013.)

Disadvantages: Combined with the global trends and innovations, Macao's hotels are focusing on the diversity of entertainment about gambling and

shopping. The elements of cultural characteristics or innovations are not enough having more spaces for cultural development. For example, one new Singapore hotel “PARKROYAL on Pickering” was awarded a Green Mark Platinum score (Singapore’s highest green rating) at 2012. (PARKROYAL on Pickering 2013.)

(3) Tourism and Exhibition industry

Advantages: The World Heritage in 2005 of Macao had one of the main unique cultural landscapes and characteristics. At the same time, the cultural buildings can also reflect the history, government’s preservation and life styles. Tourists can recognize another view to know more about Macao. Moreover, that’s one of the government’s revenues from various cultural exchanges, promotion and events. (Yong 2006.)

Disadvantages: “Institute for Tourism Studies” is one of the education school which provides the courses of World Heritage, and also have various courses for students or adults. (The Institute for Tourism Studies 2013.) On the other hand, the World Heritage’s education and promotion need more efforts like the basic introduction in schools, encouraging more people to know that culture can be a chance in business, and also it is improving our life, and life is related to culture. For example, the 25th 2013 Macau International Fireworks Display Contest is a big event that the participants are come from different countries, like Spain, Switzerland, Portugal and France, etc. and also that is one of Macao’s main symbols nowadays. (Macao Government Tourist Office 2013c.)

5.4 Impacts and dilemmas for entrepreneurship to do business in Macao

Culture shock is the main dilemma of for western investors, some local entrepreneur also face another business challenges in Macao’s gambling business.

1. Gambling brings the biggest part of revenues for Macao government. In 2011, the total revenue reached 2702.25 billion (MOP), and the figures had increased 42% from 2010. (Hong Kong China News Agency 2012.) It made the saturation

of gambling industry for entrepreneur and people who visit Macao.

2. The young generation is lack of innovation and energy based on the sufficient working opportunities.
3. The shortage of local brand's products and relying on imports from China or foreign countries.
4. The innovation spaces are not enough for young entrepreneurs gain the work experiences or new ideas.
5. The e-commerce is not popular when doing business in Macao. For example, the most authority of intermediary payment company " PayPal " did not accept the credit card which was issued in Macao, and also dealing with the registered shops. (Non-Wood 2000.) Based on this fact, entrepreneurs are taking more risks to promote business by technological systems.

One local youth brand of Macanese Honors Gourmet LTD is one of the examples of ventures in Macao. The magazine Business intelligence had interviewed the vice president Mr. Ip Weng Nip that the most difficult part in entrepreneurship is the lack of experience and human networks to do business. Further, the same action and ideas of company is one of important ways to achieve goal. He understood that it was necessary to have some changes in Macao's society, and also develop Macao's culture by the local unique brand. (Dong 2011.)

As appendix 1 showed, according to Kou (2013) there are two dilemmas for investors in doing business in Macao. The increasing operation costs and the limited land of Macao make hard for new entrepreneur to start their business. On the other hand, the gambling industry made the shortage of human resources due to the big competition between the general business companies and gambling industry.

6 Discussion

There are many successful companies and hotels in Macao, such as Wynn and the Venetian. Further, these companies have also made highest revenues of 307.37 million (MOP) by the end of August in 2013. The stocks of Wynn Macao

and other hotel company like Sands China Ltd. have also maintained the increasing trends. (Hong Kong Economic Journal Company Limited 2013.) In the following example an entrepreneur describes his unique strategies in becoming from a small roadside stall into a large bakery. The choosing reason of this entrepreneur's enterprise (Koi Kei Bakery) is according to the influence of his entrepreneurial journey in Macao. In 2010, Mr. Leung Chan Guang (the founder of Koi Kei Bakery) had been awarded as one of Macao's top ten outstanding entrepreneurs, and his brand also became one of the top ten influential brands in Macao's souvenirs industry. (Koi Kei Bakery 2012a.)

Case study of Koi Kei Bakery

Mr. Leung Chan Guang is the founder of Koi Kei Bakery. He was born in Foshan, Guangdong. In 1979, he immigrated to Macao with his parents when he was 10 years old. Later, he continued his father's business of peanut biscuits when he was 16 years old. Even though he did not want to do the same business, he also made lots of efforts to find solutions about the problem of sugar in peanut biscuits. Further, the persistence on new challenges and improving the traditional operations made him do the business successfully. In 1997, he borrowed more than one million dollars from his friend and built up the first store of Koi Kei Bakery. Unfortunately, he faced a lot of difficulties. For example, his business was disturbed by parking trucks at the front door, and the police could not help him. The revenues were decreasing and the expenses increasing at that time, but Mr. Leung did not give up and decided to tolerate. Six months later, the security had improved by Macao's government, and his business had already started to do better. In 1999, the second store of Koi Kei Bakery was built, and also the roadside stall had become the signboard of Koi Kei Bakery. (Koi Kei Bakery 2001.)

Nowadays, there are 22 stores in Macao, Hong Kong, and Singapore. It has been estimated that more than 15000 packs of peanut biscuits are sold each month. Moreover, Edmund Ho (the chief executive from Macao government) had awarded the Merit of Travel Medal to Mr. Leung at 2006. (Hong Kong China News Agency 2011b.) Behind his successful business, Mr. Leung has described

that there has been lots of challenges during his entrepreneurial journey. In 2003, when SARS and the financial crisis were coming, lots of investors also stopped the investments, but Mr. Leung just chose to buy new factories. Relying on his own products, Mr. Leung just thought the confidence has come from the quality of the products. Based on his practical experience of many years, he believed the following points can break the traditional concepts, and also create the characteristic of Macao's local cultural products. (Media Chinese 2009.)

1. The attitudes of unwilling to ordinary

Relying on the analyzed process of deep understanding about marketing environment, Mr. Leung knew that one of the biggest problems is that local people lack the initiative and enterprising spirit to earn revenues, and they also feel comfortable which is caused by the sufficient working opportunities in Macao. Being the entrepreneur or investor, keep trying to find out the advantages of products will be the keys of success. (Apple Internet Limited 2009.)

2. The local food culture

Mr. Leung focused on Macao's local food culture, and had changed the food tastes of local people during 6 to 7 years. In this period, many local people have become customers, and changed the stereotypes that a tourist is the main buyer. The changed ideas made them want to buy more for gifts or snacks; it also created another new inheritance of cultural traditions. (Apple Internet Limited 2009.)

3. Management of human resources

Besides the sincere attitudes of the founder, Mr. Leung had the management rules to change the "Family relationship" that the traditional habits of Asia countries. Going through the stores overseas, the promoted chances of employees are important to stabilize the central energy. Mr. Leung understood that the most wishes of employees cannot leave out the reward system. For example, one Koi Kei Bakery's employee had a rise in salary 7 times a year. In

order to have the professional products to customers, the specific allocation and supervision of products can have the effective management. (Macao Daily News 2002.)

4. The future prospects

The unique daily life of Mr. Leung is another key to do the successful business. According to the interview of Eastweek magazine (2007), he spends two hours in reading newspapers, and he works as a supervisor and tastes the products in his factories. After the opening hours, he thinks about the development plan until he has fallen asleep. He has also attended the equipment fair on holiday. Mr. Leung said he plans to set the retail outlets in foreign countries, but his hand-made products can faced other problems, such as human resources and quality assurance. (Macao Daily News 2002; Eastweek News 2007.)

7 Conclusion

During Macao's gambling industry and world heritage in the globalization phenomenon, the language skills, technological innovation, and competitive environment are all main factors of doing business. The necessity of language skills and high technological systems has totally changed the global business operations nowadays. In the competitive society environment, the quality, professional skills or requirements are all the considered factors to achieve success. At the same time, the challenged ranges are not just focused on the local area, and the global marketing environment will also be the central fields in 21st century.

In Macao's masculine business society and collectivist culture, the attitudes of "Relationship" and "Hierarchy" have important relations when doing business. The high figures of power distance showed that Macao is focused on the requirements from the government, and the low uncertainly avoidance which is the evidence of comfortable life. Besides, the history of eastern and western domination had made the foundation of multicultural environment. Therefore, the human resources or management about doing business in Macao need effective

multicultural communication and negotiations.

Finally, the cultural challenges are focused on the aspects of cross-cultural management, business behavior, and the young generation's attitudes towards gambling and cultural coexistence in Macao. In the view of businessmen, the traditional religions, human resources competition and business etiquettes are the main business dilemmas. Summarily, foreign or local entrepreneurs need to do more research and experience about the local business culture and future planning, and also having the spirit of adventure and business skills as the founder of case study in the business field in Macao.

Finally, the entrepreneur's challenges when doing business in Macao are categorized into four types. 1. The nature resources. The rare lands and expensive rent make the shortage of nature environment. Most of the empty lands are owned by the large gambling groups. It is hard for the new small enterprises develop their business without government's help. 2. Gambling industry. High salaries in gambling industry make the rapid flows of unemployment. Other companies need to know their advantages and disadvantages in the market. 3. Young people's attitudes. The new generation is generally recognized that they need to earn money by the fastest way and time. Further, the personality of impulses or emotional characteristic has a conflict easily especially when doing new business or communicating with people. 4. The supporting business strategies. Based on one gambling industry in Macao, lots of young entrepreneurs or graduates entered or applied for the job in the gambling industry. The reason is related to the high salary that can cope with the high commodity prices in Macao. In addition, there are not enough innovative spaces or strategies for new young entrepreneurs to work as an entrepreneur. 5. The international business technological equipment. Being one of the international cities in the world, the business technological systems like e-commerce is not used commonly in Macao. It is a problem when doing international business without technological systems.

Figures

Figure 1. Business Environment, p.11

Figure 2. Marriages and Divorces from 2000 to 2012 in Macao, p.14

Figure 3. The labor force of local people from 2000 to 2012 in Macao, p.15

Figure 4. The features of culture, p.18

Figure 5. The Geert Hofstede score of Hong Kong and the United States, p. 23

Tables

Table 1. The culture comparison of Hong Kong and the United States by Greet Hofstede, p.23-24

Table 2. Etiquette and Customs in Macao, p. 33

References

Alasdair, M. B. & Hitchcock, D. 2001. Environment and business. London. Routledge.

Alvesson, M. 2002. Understanding Organizational Culture. London. SAGE publications Ltd.

Apple Internet Limited 2009. Becoming the brand of Macao.
http://www.koikei.com/ch_press_detail.php?id=20100103205919 Accessed on 6 September 2013

Aswathappa, K. 2009. Essentials of Business Environment. Mumbai, IND. Global Media.

Australian Trade Commission 2012. Doing business.
<http://www.austrade.gov.au/Export/Export-Markets/Countries/Macau/Doing-business> Accessed on 6 September 2013

Bartlett, C. & Davidsson, A. 2003. Improve Your Global Competence. 1st edition. Helsinki: Multikustannus / Multiprint Oy.

BBC News Asia 2013. Macau profile.
<http://www.bbc.co.uk/news/world-asia-pacific-16599922> Accessed on 23 August 2013

Bernardo, B. 2011. World Anthropology: The concept and dynamics of culture. Munchen, DEU. Walter de Gruyter.

Bogartier 2013. Culture and business etiquette in Hong Kong and Macau.
<http://www.businessnewsmacau.com/about/culture-and-business-etiquette-in-hong-kong-and-macau/> Accessed on 20 August 2013

Brick, J. 2012. The Different Types of Management Styles.
<http://www.measuringmanagement.com/the-different-types-of-management-styles/> Accessed on 1 July 2013

Chaffin, B. 2013. Infographic Breaks Down Apple's iPhone Supply Chain
<http://www.macobserver.com/tmo/article/infographic-breaks-down-apples-iphone-supply-chain> Accessed on 8 August 2013

Chan, C. 2012. Gaming tourism trend in Macau
https://dspace.lib.uoguelph.ca/xmlui/bitstream/handle/10214/3649/Trend_report_Macau_gaming_trend.pdf?sequence=4 Accessed on 4 July 2013

Chan, R. K. H., Takahashi, M., Wang, L. L. 2010. Risk and Public Policy in East

Asia. Burlington, VT: Ashgate.

Cherunilam, F. 2010. Business Environment. Mumbai, IND. Global Media.

China News 2010. The highest figures of Macao's pathological gamblers in Asia. (original in Chinese)

<http://dailynews.sina.com/bg/chn/chnpolitics/chinanews/20100823/21391766758.html> Accessed on 10 August 2013

Deshpande, R., & Webster, F. E. 1989. Organizational Culture and Marketing: Defining the Research Agenda. American Marketing Association.

Dijk, T. A. V. 1985. Handbook of discourse analysis: Discourse Analysis in Society. Vol.4. London: Academic Press Inc.

Dong, Z. 2011. The local products of Macao young entrepreneurs.

<http://www.bizintelligenceonline.com/content/view/1239/10/lang,/> Accessed on 10 August 2013

DuPont, M. K. 1998. Business Etiquette and Professionalism: Your Guide to Career Success. United States. Von Hoffmann Graphics, Inc.

Eastweek News 2007. The roadside seller becomes the king of souvenir. (original in Chinese)

http://www.koikei.com/ch_press_detail.php?id=20091111111539 Accessed on 20 September 2013

Fong, H. Y. 1998. The process of Buddhism ritual for new business. (original in Chinese) <http://www.fonghoiyue.com.hk/magazine/money/19980806a.htm> Accessed on 5 July 2013

Gaming Inspection and Coordination Bureau Macao SAR 2013. Introduction of Macao gambling history. Gaming Liberalization after the Handover. (original in Chinese) <http://www.dicj.gov.mo/web/cn/history/index.html> Accessed on 17 July 2013

Gesteland, R. R. & Seyk, G.F. 2002. Marketing Across Cultures in Asia: A Practical Guide. 1st edition. Gylling. Narayana Press.

Guy, F. 2009. Global Environment of Business. Oxford. Oxford University Press, UK.

Hedley, R. A. 2002. Running out of Control: Dilemmas of Globalization. Bloomfield, CT. Kumarian Press.

Hiriyappa, B. 2009. Organizational Behavior. Daryaganj, Delhi, IND. New Age

International.

Hofstede, G 2001. *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations*. Second Edition, Thousand Oaks CA: Sage Publications

Hofstede, G 2013a. Hong Kong in comparison with United States.
<http://geert-hofstede.com/hong-kong.html>
<http://geert-hofstede.com/countries.html> Accessed on 3 July 2013

Hofstede, G. 2013b. Dimensions. <http://geert-hofstede.com/dimensions.html>
Accessed on 3 July 2013

Hofstede, G., Hofstede G.J., Minkov, M. 2010. *Cultures and Organizations: Software of the Mind*. Third edition. McGraw Hill Professional.

Homann, K., Koslowski, P., Luetge, C. 2007. *Globalisation and Business Ethics*. Abingdon, Oxon. Ashgate Publishing Group.

Hong Kong China News Agency 2011a. The pathological gamblers are increasing slower nowadays. (original in Chinese)
<http://www.hkcna.hk/content/2011/0609/101947.shtml> Accessed on 11 August 2013

Hong Kong China News Agency 2011b. The success of Macao souvenir. (original in Chinese) <http://www.hkcna.hk/content/2011/0206/86513.shtml>
Accessed on 10 September 2013.

Hong Kong China News Agency 2012. The total revenue of 270 billion dollars of Macao gambling industry. (original in Chinese)
<http://www.hkcna.hk/content/2012/1019/163934.shtml> Accessed on 12 August 2013

Hong Kong Economic Journal Company Limited 2013. The second high gambling revenues of Macao on August of 2013. (original in Chinese)
http://www.hkej.com/template/onlinenews/jsp/detail.jsp?title_id=159585
Accessed on 2 September 2013

Hou Kong Daily 2012. The high salary offered by gambling industry. (original in Chinese) <http://www.houkongdaily.com/?action-viewnews-itemid-26378-page-2>
Accessed on 13 August 2013

Human Resources Office 2013. Number of non-resident workers by industry and country/region of issuance of identification document.
http://www.grh.gov.mo/PublishData/EN/A1/A1_2013_06.pdf Accessed on 14 July 2013

Isun Affairs 2013. A Macao person working at gambling industry. (original in Chinese) <http://www.isunaffairs.com/?p=15135> Accessed on 13 July 2013

Jornal do Cidadão 2013. The equality of female and male about increasing elder service. (original in Chinese) <http://goo.gl/sA42vT> Accessed on 8 August 2013

José Ramón Valle 2012. The Google report of our mobile planet: Global Smartphone Users.
<http://www.slideshare.net/jvallelan/our-mobile-planet-global-smartphone-users-study-2012-2> Accessed on 12 August 2013

Koi Kei Bakery 2001. The legend of roadside seller. (original in Chinese)
http://www.koikei.com/ch_press_detail.php?id=20091111113338 Accessed on 31 July 2013

Koi Kei Bakery 2012a. The awards of Koi Kei Bakery. (original in Chinese)
http://www.koikei.com/ch_awards.php Accessed on 4 August 2013

Leung, K. & White, S. 2004. Handbook of Asian Management. Hingham, MA. Kluwer Academic Publishers.

Li, X. Y. 2005. The cultural identity of Macao local people.
http://www.cuhk.edu.hk/ics/21c/issue/articles/092_0411021.pdf Accessed on 1 August 2013

Luo Y. 2007. Guanxi and Business. 2nd Edition. World Scientific.

Macao Daily News 2002. The successful day of one person who have no certificate. (original in Chinese)
http://www.koikei.com/ch_press_detail.php?id=20091111113155 Accessed on 9 August 2013

Macao Foundation 2013. The Portugal program of high school Macao students. (original in Chinese) <http://www.fmac.org.mo/scholarship/scholarShipIndex> Accessed on 19 July 2013

Macao Heritage Ambassadors Association 2010. The introduction of Macao Heritage Ambassadors Association. (original in Chinese)
<http://www.mhaa.org.mo/node/1183> Accessed on 18 August 2013

Macao Special Administrative Region 2006. The no. 9/2006 Law of non-tertiary education system. (original in Chinese)
<http://images.io.gov.mo/bo/i/2006/52/lei-9-2006.pdf> Accessed on 27 August 2013

Macao Special Administrative Region 2008. No. 7/2008 law about the labor

relations law from Macao government. (original in Chinese)
http://bo.io.gov.mo/bo/i/2008/33/lei07_cn.asp Accessed on 20 August 2013

Macao Special Administrative Region 2009. Macao World heritage. (original in Chinese) <http://edocs.icm.gov.mo/Heritage/MWHC.pdf> Accessed on 22 August 2013

Macao Special Administrative Region 2011. The no. 5/2011 law from Macao Association of Health Policy. (original in Chinese)
<http://bo.io.gov.mo/bo/i/2011/18/lei05.asp#5> Accessed on 3 September 2013.

Macao Special Administrative Region 2013. Wealth Partaking Scheme of Macao government. (original in Chinese)
http://www.planocp.gov.mo/2013/files/press_rel_20130701_c.html Accessed on 1 July 2013

Macao Special Administrative Region 1999. The civil code of no. 1501 to 1600: The marriage about the spouses' personal and property. (original in Chinese)
<http://bo.io.gov.mo/bo/i/99/31/codcivcn/codciv1501.asp#1501> Accessed on 3 August 2013

Macau Development Strategy Research Centre 2011. The strategies about creating the world tourism and leisure center of Macao. (original in Chinese)
<http://www.cpedm.org.mo/wp-content/uploads/2013/06/q7.pdf> Accessed on 23 August 2013

Macau Government Tourist Office 2013a. The World Heritage. (original in Chinese) <http://www.maca heritage.net/mwhinfo05/Default.aspx> Accessed on 4 August 2013

Macau Government Tourist Office 2013b. About Macau.
<http://en.macaotourism.gov.mo/plan/aboutmacau.php> Accessed on 13 August 2013

Macau Government Tourist Office 2013c. The 25th Macau International Fireworks Display Contest. <http://fireworks.macaotourism.gov.mo/> Accessed on 2 August 2013

Mahajan, C.P. 2008. Principles and Techniques of Business. 1st edition. ABD Publishers.

Marx, E. 2001. Breaking Through Culture Shock: What You Need to Succeed in International Business. Nicholas Brealey Publishing.

Media Chinese 2009. The Koi Kei bakery. (original in Chinese)
<http://www.mediachinese.com/node/1624> Accessed on 23 July 2013

Mitchell, C. 2000. Short Course in International Business Culture. Novato, CA, USA. World Trade Press.

Nike Inc. 2012. How we do business.
<http://www.nikeresponsibility.com/report/content/chapter/manufacturing#infographic108> Accessed on 27 July 2013

Non- Wood 2000. Macau New Technologies Incubator Centre. (original in Chinese)
http://www.manetic.org/index.php?option=com_content&task=view&id=267&Itemid=136 Accessed on 24 August 2013

PARKROYAL on Pickering 2013. Awards and accolades.
http://www.parkroyalhotels.com/en/hotels/singapore/pickering_street/parkroyal_on_pickering/the_hotel/awards__accolades.html Accessed on 20 July 2013

People News 2007. The 15- year free education of Macao. (original in Chinese)
<http://edu.people.com.cn/BIG5/6250709.html> Accessed on 1 August 2013

Portal das Comunidades Portuguesas 2006. Passport of Portuguese.
<http://www.secomunidades.pt/web/macau/Passaporte> Accessed on 27 July 2013

PR Newswire 2011. The opening of Galaxy Macau. (original in Chinese)
<http://en.prnasia.com/story/45654-2.shtml> Accessed on 10 August 2013

Qing T. and Jin Q. 2013. Assessing the Influence of Organizational Culture in the SMEs of Macao
<http://www.seiofbluemountain.com/upload/product/200911/2006zxqyhy02a1.pdf>
Accessed on 31 July 2013

Rao, P. S. 2010. International Business Environment. Mumbai. Global Media.

Rumina, R. & Kishwar, P. 2010. Introduction to Culture Studies. Mumbai. Global Media.

Schirato, T. & Webb, J. 2003. Understanding Globalization. London. SAGE Publications Inc.

Statistics and Census Service 2012a. Marriages and Divorces from 2000 to 2012 at Macao. (original in Chinese)
<http://www.dsec.gov.mo/TimeSeriesDatabase.aspx> Accessed on 23 August 2013

Statistics and Census Service 2012b. The labor force of local people from 2000 to 2012 at Macao. (original in Chinese)

<http://www.dsec.gov.mo/TimeSeriesDatabase.aspx> Accessed on 23 August 2013

Suárez-Orozco, M. M. & Qin-Hilliard, D. 2004. Globalization: Culture and Education in the New Millennium. Berkeley. University of California Press.

The Institute for Tourism Studies 2013. The course of cultural heritage. (original in Chinese)
http://www.ift.edu.mo/TW/HeritageandTourism/Home/Index/257#!page=cn/Course_THS.aspx?category=PT Accessed on 3 August 2013

The Macao Special Administrative Region Economic Services 2013. Economic Outlook of Macao
http://www.economia.gov.mo/web/DSE/public?_nfpb=true&_pageLabel=Pg_EI_AAME&locale=en_US Accessed on 12 September 2013

The Venetian hotel 2013. Work chances. (original in Chinese)
<http://hk.venetianmacao.com/Company-Information/Careers/> Accessed on 2 August 2013

The yahoo news 2013. The bank recruitment with using ipad for interview. (original in Chinese) <http://goo.gl/iifSvD> Accessed on 10 March 2013

Trigo de Sousa. M.I.R.B. 2009. Regional integration and differentiation in a globalizing China : the blending of government and business in post-colonial Macau. UvA-DARE.

Trinkle, D. A. & Merriman, S. A. 2006. The History Highway: A 21st Century Guide to Internet Resources. M.E. Sharpe Inc.

Trompenaars, F. & Hampden-Turner, C. 1998. Riding the Waves of Culture. Second edition. London. Nicholas Brealey publishing.

Walden Publishing Ltd 2006. Macau SAR Profile. Cambridge. World of Information.

Wenweipo company 2012. The blessing pocket money from Hong Kong Chinese New Year. (original in Chinese)
<http://news.wenweipo.com/2012/01/29/IN1201290047.htm> Accessed on 29 July 2013

World Trade Press 2010. Macau Society and Culture Complete Report. Petaluma, CA. World Trade Press.

Yong, Z.W. 2006. How to make the sustainability development of Macao's culture in globalization. (original in Chinese)

<http://www.macauresearch.org/my%20webs1/magazine3/magazine3macaiculture.html> Accessed on 21 August 2013

Yuan, B.B. & Yuan, G. X. 1988. The history of Macao. (Original in Chinese).
Chung Lew Publishing Co. Ltd.

Appendix

Appendix 1 Interview with Mr. Kou Kun Kao (one of the managers at Hotel president Macau) on 12th September 2013

1. The attitudes of globalization

(a) Do you accept that globalization can create more chances to develop international trades and economic growth? Why?

Mr. Kou: Yes. Globalization can create more chances for people. The main ranges can focus on three aspects:

1. provided more technologies within global countries
2. Customer can know more about the international products.
3. Create and complement the needs and supply during the international transaction.

(b) How do you face to the coming of globalization? What aspects which you have the effects on your business?

Mr. Kou: 1. Enhance the skills of language

2. The operation of computerized
3. Pay attention to the changes of marketing

Globalization can have effects on these two main aspects:

1. Create more competitive environment
2. The direction of customers changed often due to the marketing is bigger than before.

(c) Related to the pervious question, what is your practical strategy about the affected ranges, and also the dilemma during the conducting process?

Mr. Kou: The practical strategies of globalization:

1. Strengthened the training of employees. Focused on the skills of communication and professional skills training
2. Decreasing the life cycle of products which included the process of product's development, growth, maturity, decline, or even disappear during the period. The best method is enhancing the research of products, and also paying attention to the changes of marketing.
3. The different marketing strategies which suit the various needs of customer.

The risks:

1. The costs of training.
2. The increasing costs of marketing due to the changing marketing

environment.

2. Management strategy

(a) As a manager of accountant, what is the general phenomenon or problems about the employees in the multicultural working environment? Described it detailed.

Mr. Kou: In the multicultural working environment, employees will have more conflicts and misunderstanding due to the reasons of communication, culture shock, the various family background and regions. Someone may often feel homesick when they are working in the new environment.

(b) What is your opinion about the importance of “relationship” in Macao?

Mr. Kou: Being Macao is one part of China, the relationship attitudes are still very important nowadays. Although Macao’s government had already established the organization of ICAC and it also made the effective controls, but the good relationship can even have more favorable competitive positions and opportunities for preparing.

(c) What is the best way to communicate and manage with the employees in the various cultural backgrounds, and also what are the suitable solutions about the problem of culture shock?

Mr. Kou: The best way cannot leave without these two aspects:

1. Respect and accept various cultures.
2. Having the fair and impartial attitudes.

Mr. Kou: There are three suitable solutions for the problem of culture chock:

1. Formulating the business rules including the guidelines for employees and make sure they can clearly understand every items.
2. Fairly deal with the conflicts based on the business rules.
3. Avoiding the racial discrimination by the clear explanation for employees.

(d) In the view of business culture management, what concepts of business etiquette you think are the normal requires in Macao’s business like the concepts of time, gift giving, or hierarchies? And what types are you focused on your business management?

Mr. Kou: Customer service is the main industry in Macao. The concept of time is important for each employee because most of the jobs need shift work. On the other hand, the clothing etiquette including the hair accessories and appearance

is the image of company, and that's also becoming the main types of business management.

3. Macao's future

3.1 Business challenges

(a) What are the estimated challenges that you think about the development of single industry in Macao nowadays? And how can the business companies do to increase their competitiveness?

Mr. Kou: The economic changes must be one of the estimated challenges of single industry, because Macao's economic is related to China and the global economic, the business companies can only have simplification of structure and increasing the equipment of technologies to increase the competitiveness.

(b) Do you think Macao is having enough resources and professionals to become the international city? Why and why not?

Mr. Kou: In the current stage of Macao have not enough resources to become the international city because one of the problems is lack of the land resources. But the building of bridge which connects to Hong Kong, Zhuhai and Macao can bring out more tourists; the project of Light Rail Transport can make more convenient transport, and also the engineering of University of Macao in Hengqin can develop more professionals in future. Summarily, the road of international city is not far away of Macao.

3.2 New entrepreneurship or investors

(a) What do you think about the impacts and dilemma for entrepreneurship to do business in Macao?

Mr. Kou: 1. it's hard for new investors to find the suitable business place due to the increasing rent and costs.

2. Human resource is another dilemma for new entrepreneurship to have competition with the gambling industries.

(b) Do you agree that the cultural discrepancy will affect the management of business, and also the commence challenge is one of the necessary parts for investors. Why?

Mr. Kou: Yes. I agree. The investors need to understand this is the necessary part to do business especially for the international company.

1. The administrative documents need the various version of language, and it will increase the cost of management of business.
2. The different cultural environment needs the variety of language and negotiation skills.
3. The cultural discrepancy needs the manager have more global mind and respect for different cultural background and the management will also have more challenges.