

The UK management approach appears to have no distinctive style, adopting practices from various sources. For example, UK firms sometimes adopted a Japanese approach to teamwork and training and some American best practices, such as broader flexibility in HRM activities, including adopting more teamwork and flexible job descriptions.

focused. Management approaches in MNCs can affect the climate for innovation within that organisation and different management approaches to the parent-subsidiary relationship contribute to the climate for innovation among local multinational corporations of different national origin.

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## Decision-making constructs

Country of origin and psychic distance are two constructs which influence international marketing decision-making. Country of origin, originally the country in which goods were wholly manufactured, now embraces the country of assembly, country of design, country of ownership or even country associated with the original brand. Global sourcing which results in hybrid products further complicates this issue.

Regardless of the form it takes there will still be a perceptual link with a country in the buyer's mind about product quality and performance. It can be a marketing asset even when the product or service has no direct association with one country. In essence, country of origin generally refers to ways in which the buyer perceives an overseas source of supply in terms of its attractiveness.

Country of origin sometimes serves as a substitute in the decision-making process when there is lack of information about the product or service. The less specific information a buyer has, the more country of origin will influence their decision-making, relying on stereotypes (often based on experience, hearsay and myth) about countries in relation to products and services.

Psychic distance is the perception of differences between the home and the foreign country including national culture and business factors. Indicators of psychic distance include: politics (factors such as regional trade groupings, stability); economics (Gross National Product level, stability, government control over business, currency fluctuations); business practices (market structure and access, attitude to bribery etc.); and language differences (the script, the tonality, how the language is written, the pattern of discourse).

Psychic distance is also likely to effect evaluation of potential opportunities for business. Perceptions of psychic distance are likely to be modified by additional information about a country and experience in dealing with people from that country. Whether it's psychic distance or country of origin that influences trading decisions, it's not what you know, it's what you think you know (stereotypes) which influences decision-making.

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