

Part One

Chapter 1

Culture is about perception

In 2013 the traditional rivalry between France and Britain was re-ignited by food. Complaints arose that meat food products sold by certain supermarkets contained horsemeat. One problem was that the use of horsemeat was not listed on the package ingredients. However, the other problem was cultural. The British don't, on the whole, eat horsemeat. The very idea is repugnant to many, but this is not the case in France.

To be fair, the products complained about didn't originate in France although they were packaged and distributed there. But different attitudes to the acceptability of horsemeat and other animals as food are deep-rooted. Why do we get upset about these things and what does it say about our culture? The French have a prejudice that British food is inferior (it isn't). However, British and French attitudes to what is tasty do vary.

The horsemeat scandal was ultimately about trading standards but what the fuss was really about was cultural attitudes, and culture, to a degree, is about perception. It's often not what you are really like but what I think you are like that determines my initial view of you.

Perception is a sensitive subject. Culturally, it describes the recognition that what I hate about a social behaviour may be what you accept. The point is that what we register about

another community is the differences and if we don't like those differences, the perception may well be negative.

David and Sarah are friends of ours. They are teachers and they love France. So what did they do when they retired? They bought a house in a small village in the Dordogne (a region in west central France). They love cheese, wine, good food and the good life, but were frustrated by French bureaucracy, by what they perceived as French rudeness, and by the apparent lack of interest shown by their neighbours in anything that was not French. They became quite lonely and eventually sold their house and returned to the UK.

Their experience isn't common, but it illustrates an important point: culture is about perception. It is not what you are like, but what I think you are like that determines my opinion.

There's more. Our cultural perceptions are often negative. And the negative often outweighs the positive. Jack is director of a UK sales company dealing with Sweden and Italy. He likes the Swedes: they're calm, methodical, organised and on time. He enjoys the feeling of working in a 'no surprises' culture.

By contrast his Italian colleagues give him nothing but surprises. They're always charming, friendly and hospitable. He loves that. But they don't reply to emails, are often late, tend to be overemotional and volatile and, when they are in contact, don't address the issues he needs to discuss.

We asked Jack which business community he prefers. It's a no-brainer: Sweden good, Italy bad, although he finds that the Italians are lovely guys personally. By the way, the Swedes and the Italians probably have their own problems with Jack!

We need to avoid this tendency to treat culture comparison like a football score, as in Sweden 4, Italy 0. Why? Here is the first rule of culture.

Trust is the key

When we work in our own cultures we know how people operate, more or less. We have shared professional standards that we may or may not live up to, but we know what they are. However, when we work with different cultures the rules of engagement change. We need to learn their conventions regarding behaviour. Business partners and clients in other countries may have different attitudes to time, communication, teamwork and management styles, and we need to respect them.

More importantly, what makes a good impression in country A may have no effect in country B, and might even create a bad impression. Take Spain, for example. First, we need to understand that Spain, like most other countries, contains several cultures – Castilian (Madrid), Catalan (Barcelona) and Andalusian (Seville) being just three of them. However, there is a Spanish way of doing things, and one of them is emphasis on character.

In the US, for example, as long as you produce to specification, on time and on budget there is no problem. If we do a lot of work together we may become personal friends, but only so long as the work goes well. In Spain they do things differently. Your business partner or colleague needs to get to know you, not just as a business partner but as a person. That's why character matters, as well as organisation and efficiency.

In many countries in Asia, building relationships takes time. George Renwick, a noted American consultant, has a telling anecdote. He was asked to advise an American company on what looked like a failed merger attempt with a Chinese company.

'We've been talking for four years and nothing's happened,' the president of the US operation said. 'Should we pull out or

what?' 'Mr President,' Renwick replied, 'you've only just started!'

So what builds trust with a foreign partner or colleague? Two things – rapport and credibility.

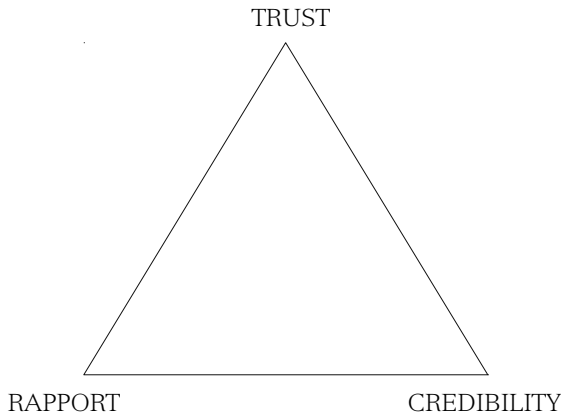
Build trust with rapport and credibility

Rapport means building good relations. To do that you need to understand what your client expects. What they consider relationship-building may seem like wasteful socialising to you. Do it anyway. It will be the foundation of your business partnership and will protect you when times are tough.

Credibility means you are who you say you are, and you can do what you say you can do. The important word in that sentence is 'say'. The key to successful credibility is communication. This is the single most difficult aspect of building good business and social relations. You need to understand how the other side communicates, and be prepared to adapt to it.

The TRUST triangle

We can present these elements in the TRUST triangle:



Multinational corporations: one size fits all

Omar is an Arab diplomat, and works at the London embassy of a leading Middle Eastern country. One day after a seminar he came up to us holding a trade magazine, *The Diplomat*. ‘Tell me,’ he asked, ‘internationally, don’t you think we’re all the same?’

We leafed through *The Diplomat*. It was what you would expect: photos and descriptions of social events – receptions, ceremonies and sporting occasions. The photos were of diplomats and their partners, mainly dressed in Western fashions, with a very few wearing national dress. Everybody had a glass and food in front of them. The drinks were mostly champagne, but there was also orange juice and soft drinks. The food was primarily standard Western buffet snacks, with a few national specialities such as Chinese spring rolls or Lebanese falafel.

So it’s true, isn’t it? We’re all the same.

No. The glossy photos mask a host of differences, both personal and cultural. The personal differences may be to do with family background, social environment and education and may involve considerations of faith. It is dangerous to assume that belonging to a common professional community means you have a common set of beliefs or behaviours, or even that you will all get along.

Kimo Sasi, Finnish diplomat and former Minister of International Trade, once said that before he meets any foreign counterpart, he checks their biography and learns about their family background and the culture they grew up in. He also finds out where they were educated and whether they have lived or worked in other countries, including his own. He doesn't assume people are the same. He assumes people are different and he takes the trouble to find out how.

He explores and accepts the differences, both personal and cultural, and prepares himself to adapt, if necessary. But he also does something else. He looks for something that he and the person he will meet might have in common. This includes personal interests, people they both know, and places they have both visited. He also looks for areas where Finnish customs and interests and those of the person he is meeting come together – but also where they might collide. The first is to be exploited. The second is to be avoided. Armed with this information, he's in a far better position to get the most out of his meetings and to achieve cooperation.

The lesson? Never take superficial similarity for granted. It can cause you minutes of discomfort and years of anguish at lost opportunities.

There is one area where a common culture needs to exist, however, and that involves multinational companies. Rahul is

general manager of a leading international bank: he's based in Chicago, but his background is Indian. One of the challenges he has had to overcome in his own country is the Indian relaxed attitude to time. 'There's a saying in India,' he tells us. 'You (in the West) have the watch, but we have the time.' In other words, time for many Indians is flexible. He also reinterprets IST (Indian Standard Time) as 'Indian Stretchable Time'.

As Indian multinationals themselves know, you can't run a business across international time zones with 'stretchable' time. Local businesses, not just in India, may hold to local 'time tolerance', but it doesn't work internationally and causes immense frustration at missed deadlines and poor communication. There are certain areas of international affairs where you just have to conform, simply in order to get the business done. Time is the most important, and we will examine attitudes to time in detail in Chapter 9.

In the meantime, we are back to the same question. Are people actually that different?

Isn't it all about stereotypes?

'OK, we accept that individuals are different. But do they all conform to national stereotypes? Whatever you tell me about a culture, I can always tell you about someone I know from that culture who doesn't conform to the stereotype at all.'

That was said by a teacher that we know. Very experienced internationally, and very cynical about what she calls national stereotypes. We don't believe in stereotypes either. We agree that labelling everyone from the same country with the same

characteristics is just wrong. Stereotypes fix people, and they don't allow for variety.

According to popular national stereotypes, Americans are loud, the British are stiff and formal, the Japanese polite, the Chinese inscrutable (hard to read, which should make them good poker players), and Italians emotional, while Africans dance all the time and Arabs are volatile. And so on and so on. But it's just not true.

It's interesting to ask where these stereotypes come from. Immediately, our old friend perception comes into play. An unfortunate historical encounter, maybe centuries old, may have caused a perception of a race or culture, and the image has stuck.

Why a false stereotype can remain is also interesting. Very often the stereotype represents an element of truth about a culture, but one which has been misunderstood and misinterpreted by foreigners. Take Chinese inscrutability, for example. Chinese people are much more open with their emotions than you would expect but they also believe in maintaining face. Face, or *mianzi*, means personal dignity. In practice it means that you don't show your feelings under pressure and you don't lose your temper in public, because to do so would represent loss of face. Those who know the Chinese are familiar with the 'long face', which indicates disapproval or displeasure. So perhaps that's what outside observers once called 'inscrutable'.

However, national characteristics do exist. We prefer to describe them as generalisations. We can say that a majority of people behave or think in a particular way – but it's important to allow for variations. An interesting example is the United Kingdom. A government survey in 2007 identified Britain as a community of commonly held values. These included the rule of

law, tolerance and fair play. Not everyone in Britain believes that these values matter, but most people do. So we can say, for example, that most people in Britain believe in fair play. That's a generalisation.

We can make generalisations about a culture at national level, but that's just a start. If I say that Asians are concerned about not losing face (their personal dignity in the world), you can show me lots of Asian people you know who don't care about face at all.

That's because national characteristics are just the surface. We use them as a platform to dig down to the personal level. But as we do so, we go through a number of levels or types of experience. Take Nelly: she's from the north of China, from Harbin, close to the Russian border. It's where they hold an ice sculpture festival every winter. Nelly is 25 years old, and an administrator in an electronics firm. So as well as being Han Chinese, she's a Northern Han Chinese, which means that she has a regional experience different from that of the Chinese in Beijing, or further south in Shanghai.

Electronics and computers are important growth industries in China as elsewhere. So Nelly has the experience of being a young executive in a young and rapidly expanding industry. This gives her a professional experience very different from that of a poor country farmer, for example.

Nelly is the only child in her family, a product of Premier Deng Shao Peng's 1979 one-child policy, which was introduced to restrict China's rapidly expanding population. As a girl in a country where the majority of single children are boys, she is much in demand, so she has a particular kind of social experience.

The reason we know Nelly is that she studied in London for her MA and then did an internship in a leading electronics company based in London. So we know that she has a very special experience of living, studying and then working in London.

We can represent these different levels of experience in the following way:

NATIONAL EXPERIENCE
REGIONAL EXPERIENCE
PROFESSIONAL EXPERIENCE
PERSONAL EXPERIENCE

When we're trying to assess someone from another culture, we need to start at the national level, but we should not stop there. We have to dig down to the deeper levels of regional, professional, social and personal experience. These experiences don't invalidate a person's national experience, but enrich it.

There are questions we can ask to elicit these experiences. Here they are:

- **NATIONAL:** Where are you from?
- **REGIONAL:** What part are you from? What's it like there?
- **PROFESSIONAL:** What did you do before you worked here? How was it different?

(The form of question is important. By asking about a former workplace you can neutrally elicit opinions of the current workplace. This may in turn alert you to cultural issues the person is facing.)

- **PERSONAL:** Have you travelled abroad much? Where to? (This may indicate a more open-minded approach to cultural differences, but not always).

When do you need culture?

When things are going well you can argue knowledge of cultural differences is not necessary. The danger is when things start going wrong; when there is mis-communication or there is deadlock over a contract or agreement. Maybe deadlines and milestones are missed or specifications are not adhered to.

When there are problems or disagreements the tendency is for each side to revert to their own cultural norms and prejudices and blame the other for not adhering to them. This is when you need cultural awareness.

The trick is to understand what the real needs of the person or company you are dealing with are. These may be rooted in national cultural ways of doing business.

Mick is a manager who needed statistical information from a country in central Europe. He sent an email. No reply. He sent another email. Still no reply. Then he sent a third, stronger, email. Still no reply. 'Why didn't you call them up, Mick?' we asked.

'I don't like phones,' he replied. 'I prefer emails. It gives me a record of what's going on.'

This was a perfect example of two cultural ways of doing business in conflict, creating delays. Mick likes emails. He feels it is safer, more impersonal and creates a 'paper trail' of the transaction. His colleague in Central Europe finds the phone more efficient, more effective and more personal. Once Mick got on the

phone and explained his position, the problem was solved – and the Central European company replied to his emails, because they felt they knew and could trust him.

Why didn't they trust him before? Because for sixty years they had been under a system of Communist government where the wrong document could lose you your job and worse. Older managers, and this was one, still remembered and were affected by the old days. Old habits and old cultures die hard!

This is a small example but vital to everyday business efficiency. The message is, don't blame the other for non-performance. Put yourself in their shoes.

Three ingredients of culture

The secret of unlocking a business culture is knowing where to look for the evidence. Is it in the music, the literature, the dance traditions, theatres and art galleries? Is it represented by their movies and pop music? Or do you seek the key simply in their daily life?

Susan Stempleski is a much-travelled American. She has spent years as a language teacher at Hunter College and Columbia University in New York, has written books about language and culture and worked on teacher training missions all over the world, many for the United States Information Agency (USIA). In a book, *Cultural Awareness* (which she co-wrote with Barry), she distinguishes between the Big C and the little c. What was she talking about?

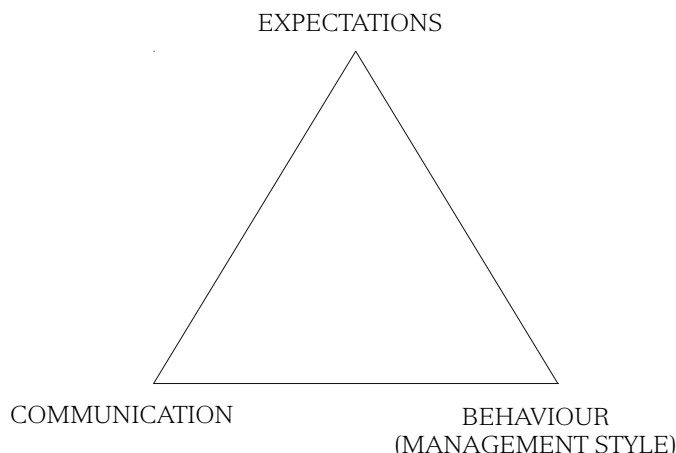
The Big C is all about the cultural icons – art, architecture, theatre, that kind of thing. The little c is about the small things – everyday lifestyles and customs, including business customs.

We're not saying that the Big C isn't important. Increasingly it's what most of us do on special occasions, such as celebrations, or when we notice a particularly beautiful building, monument or public space. The little c is what we do every day. It determines what we think about, what we say to each other and how and what we do.

That's why in this book we've taken the little c a bit further and divided it into three areas – expectations, communication and behaviour. These are the three things you look for in another country's business culture. So if we're working in any new market we will ask three questions:

1. What are their expectations of the business relationship?
2. How do they communicate
3. How do they behave?

We can present the three ingredients like this:



What are their expectations?

Their expectations are what they think about business relationships. Do they want you to be their friend or just a colleague or customer or provider? Believe it or not, countries differ radically in this respect and it affects the whole process of building business relations. We'll examine this in detail in Chapter 2.

How do they communicate?

Take English, first of all. Communication styles can be complicated. What we do know is that apart from talented international English speakers, most speakers' use of English is influenced by their mother tongue and by the communication styles of their own culture.

And how these vary! Some communities prefer to talk to you face to face or on the phone and others prefer to write. Some communities are informal and others formal and respectful. Some communities like to show their human side and expect you to share your personal life; others prefer to reserve conversation about their personal life for their family and close friends. Some communities use their eyes and hands to illustrate what they say; others prefer to keep their arms tightly by their sides and their eyes neutral. Some people like to touch you when they talk; others don't. Some communities are happy to interrupt you when you are speaking; for others, it's extremely impolite.

Only one thing is common to all styles. Get it wrong, and you risk losing credibility in the eyes of the person you're dealing with, so it's worth knowing how to match a particular culture's communication style. We show you in detail what to look for in

Chapter 3 and give lots of examples in our key market profiles in Part Two of the book.

How do they behave?

Once again different business communities have different management styles, and different approaches to teamwork, time and business organisation. They run meetings differently to what you are used to, they negotiate in different ways and treat women in the business environment with different degrees of respect and importance. One size definitely doesn't fit all. All these things you need to learn about and understand. We'll disentangle it for you in Chapters 4 to 9 and give masses of examples in Part Two.

RADAR Five Alive

So, here you are in a foreign country or dealing with a business group you have never met before, and suddenly everything seems different. The use of English (or another language), the communication style and the way people are behaving simply don't match your expectations. You're here to do business but the way that people seem to be responding feels like anything but: sometimes you feel like you're on another planet. How do you proceed?

The answer, as the Chinese philosopher advised, is 'one step at a time'. And that's where the Five Alive tool is useful. It's simply five things you need to do to keep your sanity and your business hopes alive. The Five Alive tool is based on a 2007 European Union project called Uniting Europe Through

Culture. The project conducted surveys in various countries, and identified five things you can do when you encounter an unfamiliar situation, not just in business but in any area of interaction with a different culture.

The five steps are:

1. Identify
2. Compare
3. Empathise
4. Manage
5. Reflect

Let's unpack them.

IDENTIFY

This is when you see or hear something you are unfamiliar with. It may be odd. It may even be upsetting. However, unless it's related to personal security (i.e. you're in danger), the best thing to do is to stop and observe what's going on and don't react.

COMPARE

The reason you've noticed something is odd is because it's different from what you do at home. So compare it with what happens at home. How is it different? Be as precise as you can. But still, unless it's dangerous, don't react.

EMPATHISE

Ask yourself, why are they acting like this? This simple thought allows you to move from opposition (I'm surprised or shocked)

to understanding (a more positive frame of mind). You're still reactive, but now you're in a better position to decide how to respond.

MANAGE

Now you're ready to decide what to do. Ask yourself, 'What skills do I need to manage this situation?' Remember that one of them might be just to do nothing. Another might be to ask what's going on. A third might be to ask for advice. A fourth might be to assert your own will and make it clear what you need in order to proceed in a harmonious fashion. As long as you're polite, your position will be respected.

REFLECT

This is probably the most important tool. Ask yourself consistently, 'What have I learned from this incident about my colleagues' expectations, communication style and behaviour?' And most importantly, 'What (if anything) will I think, say or do differently in the future?'

After a while it becomes second nature to do this, but to begin with you need to make it a conscious, if at times slightly painful, process. You'll make mistakes, of course. Everybody does. But the fact that you're able to reflect and learn will earn growing respect from your foreign colleagues and clients. And you'll build up a library of experiences and ways to behave that will support you in the future.

Don't forget the fun

Talking like this, it's easy to make dealing with different cultures a difficult and slightly forbidding affair. Sometimes it is, of course, but you're dealing with different people with different backgrounds, customs and ways of enjoying themselves.

We've been treated to brilliant meals, wonderful drinks, great company in exotic surroundings, the chance to dance samba in Rio or salsa in Havana, see temples and palaces that are out of this world and some of the most famous landmarks. We've been to concerts, theatres and art galleries housing masterpieces we would rarely or never see in our own countries. We've attended cultural events we never knew existed, but which are highlights of the local year. And we've been enriched by being allowed to enter, even for a short time, the lives of local people who have invited us home and shared their hospitality with us.

And we've learned. We've learned about new books, new movies, new sports and teams and we've learned about and from the people we've come across. Working across cultures is a moving and unforgettable experience that deepens, spiritually enriches and broadens anyone who comes into contact with it.

There's a tendency on a foreign visit to sit in the hotel room or office and just work. After all, it's what you're there for. Then you race for the train or the plane and get back - home. But never forget that the chance to work internationally that more and more of us are now experiencing is not just a work opportunity. It's a life opportunity. Grab it!

Five things to remember

1. Culture is about perception, so beware of creating false perceptions of foreign cultures.
2. Remember the TRUST diagram – cultural relations depend on building rapport and credibility.
3. In multinational corporations, a common attitude to time, delivery and operating systems is essential.
4. Think generalisations, not stereotypes. Use the levels of experience to dig down from the national culture to the person you are dealing with.
5. Use the Five Alive tool to help you analyse, and manage cultural differences – identify, compare, empathise, manage, reflect.

