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Your Future Is Global

INTERNATIONAL BUSINESS SERIES

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**10 Tips For
International
Business Success**

10 TIPS FOR
INTERNATIONAL
BUSINESS SUCCESS

“10 Tips For International Business Success”

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First Edition

HYRAX[®]
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Your Future Is GlobalSM

INTERNATIONAL BUSINESS SERIES

10 Tips For International Business Success

Tip # 1

Time After Time

“I didn’t realize how long it takes to get things done. Everyone in business speaks English. From far off, it didn’t seem that different. Your schedule has to allow for changes, interruptions. Many dinners, lots of coffee, and meeting so many associates, and getting to know each other. That’s the key. It takes a lot of time.” — U.S. manufacturer in the Middle East

Americans associate being late with being unreliable. But in many cultures, timeliness is not expected and can be construed as being rigid and uncompromising.

Unlike some Western cultures, many Asian and Latin cultures have higher cultural priorities than timeliness. For example, in some cultures it would be unthinkable to end a meeting because the allotted time had run out. This would be taken as a direct insult, essentially sending the message that your host is less important than your own time. It’s understood that if someone is late, it’s because they are investing time with another person. In time, your turn will come as well. This difference leads to cultural conflict and misunderstanding.

Throughout much of Asia and the Middle East, meetings take a much slower pace. It’s rare in these cultures to schedule more than one or perhaps two meetings in a day. Even in more Westernized countries such as Spain or Italy, prioritizing time over relationship building seems very self-absorbed. These cultures value the relationship more highly than the clock.

Keep in mind that your host may be wondering how serious you are about building a long-lasting relationship. If you can’t be bothered to invest time up-front, will you do so later?

Don’t plan your schedule too closely around the clock. Make contingency plans, expect things to take longer than they would at home, and do more than one thing at a time. If you aren’t “sitting around waiting,” it won’t seem like wasted time. Also, keep in mind that when the schedule absolutely cannot change, it takes extra effort to make sure the deadlines are met.

Tip # 2

If You Build It They Will Come

“Even if you live and work [in India], you can never be entirely sure you understand. It is best to assume that you do not. If you come to India with some grand, predetermined strategy or master plan, prepare to be distracted, deterred, and even demoralized.” — Muhtar Kent, CEO of Coca-Cola

Building a relationship is the most important thing someone should be doing. In most Asian, Middle Eastern and European countries, relationship building is at the top of the priority list.

This means that having the best product and the best price, while important, are not enough to close a business deal. In fact, the business routinely won't be based on who offers the best product or price.

Many cultures place such great value in the power of the relationship, that it's really the relationship itself that is the heart of the deal. The value to the business is not simply acquisition of a product, but strengthening of long-term prospects through creating a more capable, wider-reaching business. This happens by building relationships that are deep, and that respect mutual objectives.

Some Western cultures balk at this, feeling that building business based on “who you know” is unethical, self-serving, or nepotistic. The other side of that coin is powerful though: A strong relationship, either professionally or through family, also brings influence, knowledge of your partner, and a degree of reliability that just isn't there with loose business connections. With so much riding on a business deal, who would do business with someone they don't know and trust?

Plan to spend a lot of time building relationships, and don't look at the relationship as a precursor. Instead, look at the relationship as having the real business value. Then, the deal will come.

Tip # 3

Making A Point

“If we seek to understand a people, we must try to put ourselves, in that particular historical and cultural background. If we wish to convince them, we must use their language, not language in the narrow sense of the word, but the language of the mind. — Nehru, Prime Minister of India, 1947 to 1964

Body language is varied and important in most cultures. Pointing and gesticulating with your hands is considered rude in many parts of Asia, but is “part of the language” much of Europe.

Italians believe in a strong, vigorous handshake – but in Asia, a handshake should be low-key, as too much enthusiasm is aggressive. And in parts of the U.S., “kicking back,” with feet up on a chair or even a desk, is just a way to pass the time – while in Thailand, it is heinously offensive to show the soles of your feet. Subtle forms of communication exist. For example, in America leaning back in your chair and maintaining eye contact is relaxed, and demonstrates real interest in the speaker. But in most of China, the message is much different: Rejection, disrespect, and even hostility.

Cultures that value restraint, such as the Japanese, run into problems when dealing with emotive cultures, like America, Italy, and Spain. Being loud, laughing too readily, and talking a lot is viewed as immature and disrespectful. People that cannot restrain themselves must, therefore, be unreliable in business. But to an American, the seemingly closed, impersonal Japanese visitor can seem untrustworthy.

Learning the appropriate behaviors for another country and culture is tricky. It takes time and practice. Reading a few pages about culture won't do it. We can't change our subconscious mannerisms, ingrained from birth, that easily. Instead, become hyper-sensitized to your own cultural biases and behaviors. Then, you can be more aware of what's going on around you, and pick up on behaviors that are different. By being observant, you can express sincere interest in a foreign culture, and that will go a long way to bridge any cultural gaps.

Tip # 4

Silence Is Golden

“Silence is a form of speech, so don't interrupt it! — Richard Lewis, *When Cultures Collide*

Silence is a valid form of communication. Do not interrupt it. Especially throughout most Asian cultures, silence carries meaning.

This is often lost on Westerners, who feel silence is uncomfortable and seek to fill it. Silence is a form of timing, and the lack of a direct answer can indicate a desire to seek a different outcome. Sometimes silence is an indicator that the answer is “no,” but avoids the taboo of being too direct or disrespectful.

Even how we carry on a conversation demonstrates a difference in how we respond to silence. For many Westerners, when one person stops speaking, the other person starts speaking promptly (even filling silence with meaningless noises, “umm,” or “ahh,” to indicate their turn has begun). But some Latin cultures, on the other hand, integrate or overlap their speech, frequently interrupting each other to demonstrate interest. Both of these patterns differ from typical Asian speech, in which periods of silence are common. This pattern of silent communication frightens the Westerner, as it represents a failure to communicate or a lack of interest.

From the Asian perspective, it seems that the Westerner is unable to communicate effectively. They don't give the other person time to finish a thought, or absorb what has been said and come up with a well thought out response. It is a sign of respect to the other person to listen carefully, think about what has been said, and to take time to respond in a thoughtful and appropriate manner.

This is particularly difficult in virtual situations, where a lack of visual cues lead to more misunderstandings. In the case of teleconferences, it's best to slow down the meeting. Allow for periods of silence, during which the other party may be muddling through language differences, communicating with their boss, or formulating a response.

Tip # 5

Hang Out For A While

“*I wish I had known how long it takes to build a strong relationship beforehand. We wasted a lot of time giving American sales pitches to very polite, but very uninterested people. It wasn't until we took the time, got to know who we were meeting... then the business came. – American manufacturer working in China*

When travelling abroad, plan to take more time than you think you will need. Most countries, especially Eastern and collectivist cultures, will move at a different pace. You'll want to take time to build relationships, get to know people, and accommodate a different pace at the office. You can't have the mentality that it's a quick “get in and out” visit.

This is especially true of “collectivist” cultures. These cultures are strongly relationship-oriented. That means outsiders will have a hard time getting to know what's going on until a strong relationship forms – and such relationships come from spending a lot of time together. Want to know a good rule of thumb for building a business relationship in China? Go to dinner about half a dozen times before you start talking business.

But more than taking time to build relationships, it takes time to absorb a foreign culture, customs, and business practices. The “get in and out” mentality is a very Western approach to doing business. When visiting the East on business, remember that it's the East. Think about what message you are sending by trying to move quickly. Western business practices are not going to work. Asians countries have been doing business for thousands of years – and they feel the system works very well.

Those outsiders that try to impose their own brand of business are the ones that fail. On the other hand, those that take the time to explore, understand, and adapt, are the ones that succeed.

Tip # 6

How The West Was Lost

“Relationships are built between individuals, not between companies. Thus it’s important to keep the same people coming to India so the process doesn’t have to be repeated for each neophyte. When Western companies reassign resources too quickly and put someone new in charge of an India initiative, they program themselves for failure. — Gunjan Bagla, *Doing Business in 21st-Century India*”

Western management styles do not work well in India and China (and other parts of Europe and Asia).

Western cultures encourage individuals to distinguish themselves from the group. Employees are rewarded for being independent thinkers, for taking initiative, and for being outspoken – even criticizing their boss. They are an individualized, empowered crowd, trained to be vocal and to express their disagreement.

The vast majority of cultures throughout the world promote the interest of the group, not the individual. Such “collectivist” cultures usually focus on harmony, and avoid outright dissent. Where a Westerner might think of “I,” someone from a group-oriented culture would often think “We.”

Americans strive to advance their own career and make decisions about a job because it fits with a larger personal plan. An American manager in the East is likely to wonder, more than once, “What’s wrong with this person, don’t they see this is an incredible career opportunity I’m offering them?”

The collectivist individual may be thinking, “I don’t see this as benefiting my family or my professional group.” The good of the group will always be considered first. Personal decisions must make sense in how they improve one’s status and “face” within the group. For example, a transition into a new job could also mean a lack of influence at the new company – and consequently, a lesser ability to secure employment for family members, undermining the whole group’s standing.

It’s important to remember that collectivism is the norm in this world, and individualism is a fairly rare exception.

Tip # 7

Don't Get Singled Out

“We can achieve a good understanding of our foreign counterparts only if we realize that our ‘cultural spectacles’ are coloring our view of them. What is the route to better understanding? To begin with, we need to examine the special features of our own culture. — Richard Lewis, *When Cultures Collide*”

Singling someone out almost always results in unintended loss of face. Causing any type of embarrassment will cause loss of face to the individual and his family.

Even individual praise could cause the team and colleagues loss of face. Where Westerners strive to differentiate themselves, Easterners strive to better the group as a whole.

A person's “face” is his or her reputation with their social group, their personal and professional communities, and their family. But “reputation” is by far an inadequate word to describe face, because “face” is so complex. It includes concepts of honor and standing with respect to both self and others. It is a representation of individual value, of a person's literal worth, honor, and ability, to the community.

When it comes down to it, a Westerner is independent and individualistic. Westerners can make themselves into whatever they want to be — that is the promise of individualism. That promise does not exist in collectivist culture.

It's very easy for Westerners to overlook the importance of face. Unintended actions can often lead to very real loss of face – and loss of position and status. For example, by being a loud or brash American, it reflects poorly on your host and lowers your hosts status with the group. Likewise, as a manager, to “call someone out” publically will cause irreparable harm to that person's career.

If you live in a collectivist culture, who you are and how you fit in is not defined by you, the individual – it's defined by everyone else. One's position in the eyes of the community is, essentially, your true position.

Tip # 8

Sharing Is Caring

“Our team in India had no idea what they were building for us. They followed directions fine, but never questioned what they were doing. We kept building the wrong thing, because they didn’t understand American preferences, and they didn’t understand the U.S. business and legal system. — U.S. entrepreneur, regarding outsourcing legal processes to India

Create a strategy around building a “one team” mentality that encompasses your entire organization. That means taking steps to make sure overseas partners are not outsiders.

Cross cultural training workshops, and setting up a rotation program where staff from abroad and from the home office switch locales, are both excellent strategies.

Remember that different cultures have different business practices. Throwing a bunch of people together and hoping they figure out how to work together is likely to fail. This is particularly true when creating teams from dramatically different cultures, but it can even be a problem within different European cultures.

By providing cultural team training, the individuals will learn how to communicate better. They’ll anticipate differences in time orientation, and better appreciate things like prioritizing relationships over schedules. This cross cultural awareness builds team cohesion, and makes the machinery work more smoothly.

One of the best strategies for overcoming cultural barriers is making sure your foreign team experiences the local business culture. That means bringing foreign team members from abroad back to the home office for a tour of duty. They’ll get to know their team mates, learn the local culture, and develop a “one team” mentality. Just as important, they’ll learn the local business practices and expectations, and take those home to the rest of the team.

Tip # 9

Family Matters

“One of the main reasons why transitioning from country to country is so difficult for trailing spouses is that by cutting off yourself from a supportive network, a promising job and a familiar place, you have to re-create a whole new identity from scratch. — Anne Gillme, *Expatriate Connection*”

When relocating employees abroad, remember that expatriate acculturation can be very challenging. When an employee's family relocates, the challenges are multiplied for children and the spouse.

Make sure that human resources provides the support needed to ease the transition, but don't stop there. Appointing a mentor or “culture ambassador” will make expatriates feel more welcome. Build a program that ensures the entire family is healthy, not just the one coming to the office.

Too often, businesses indirectly let their employees down – by not paying attention to the strains of social integration. The human resources department provides a few leaflets on local culture, and helps to find housing, and that's about it.

But the real strain of integrating into a local culture, learning new languages, finding new friends and social connections, all take their toll.

Businesses that really succeed when sending employees abroad go the extra mile. Don't assume that your employees can shoulder the burden of leaving their family, culture, and familiar life behind on their own.

Tip # 10

You Want How Many Days Off?

“Be sure to take into account the hours and days of the work week, not just local vacation cycles. In much of the West, the work week is Monday through Friday, but this preconception gets thrown out the window in many countries. Throughout the Middle East, the work week could be from Saturday through Wednesday, or Sunday through Thursday. — *Successfully Building Multinational Business Relationships*”

Get an International calendar and be sure to coordinate around foreign holidays. If you don't know what a given holiday is, find out.

Some holidays might just mean a few people won't come in to work, but others could call for a two-week long shutdown! Throughout India, for example, there are regional holidays that vary from one state to another. In fact, some specific regions will literally have holidays every week across several months — and while not everyone takes time off work for every holiday, this hardly makes it easier to manage. Knowing who will be at work on a given day can become a minor project of cultural awareness in and of itself.

India is by no means unique. Turkey has more official and not-so-official vacations than any country in Europe. North and South Africa have very different holiday schedules, and many regions have quite a few local holidays that won't show up on a typical International date book.

Personal allowances also vary greatly by country and business culture. Indian weddings often run for two weeks straight and it's understood that anyone invited will be out of work for the entire time. From mid-July to early September much of Europe's business activities come to a standstill as the regionally understood “vacation season” arrives. Unlike Americans, Europeans won't be checking email while away from the office, either. Life, as a general rule, comes first before work — and a vacation means completely disconnecting. (But, keep in mind the reversal of seasons in the southern hemisphere, where Bolivia, Chile, and Argentina tend to shut down in January and February).

Before you go, be sure you anticipate the local work schedule. It might not be Monday through Friday!

Tip # 11

Bonus Tip: Synchronous or Sequential?

“ You see one person, surrounded by half a dozen or more customers, working on all of their orders at one time. To someone from a sequential culture this looks like chaos – but a synchronous person sees it as a way to get more done in less time. Why should a server take one order for samosas (an Indian dumpling), put the tray away, and then find out that two more customers wanted the same thing? — *Successfully Building Multinational Business Relationships*

What’s the hardest thing to get used to when shifting from Western to Eastern culture? It’s probably time orientation, something that we take for granted every day in everything that we do.

SYNCHRONOUS CULTURES tend to do many things at one time, and do not mind disruptions to their schedule. India, Spain, Italy, and Brazil are all synchronous cultures.

Synchronous individuals can easily be offended if they are rushed, or if the schedule is more important than their relationship with you, which leads to many misunderstandings between these cultures and more schedule-driven ones, such as America, Canada, and Germany.

SEQUENTIAL CULTURES, on the other hand, tend to be schedule driven, do one thing at time, and value directness and efficiency. America is an extremely sequential culture, as is Germany and Switzerland.

Sequential individuals can get “derailed” if their schedule is interrupted, which means that Americans working in other cultures often experience problems adjusting to a different way of working and thinking about time.

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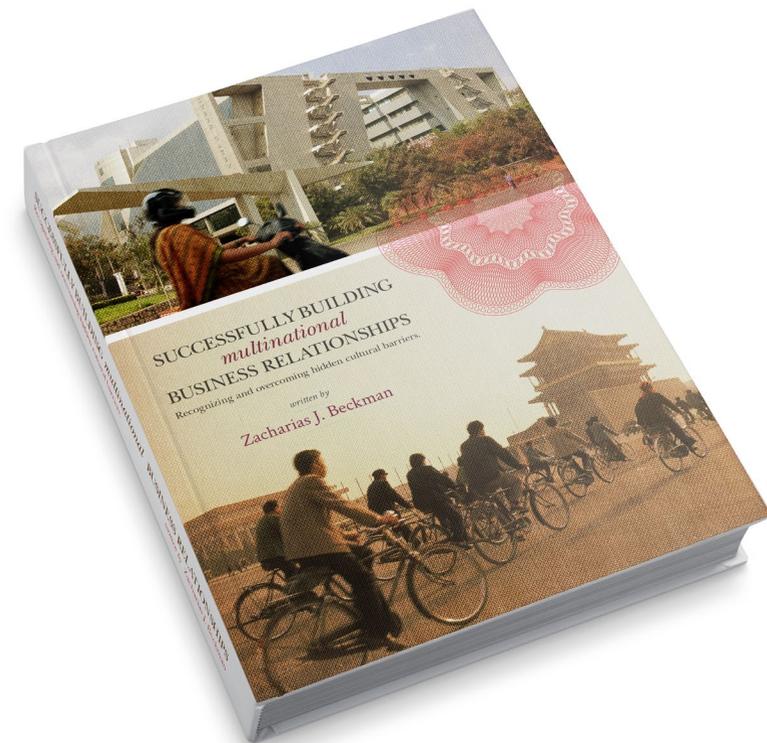
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About The Author

Zacharias Beckman specializes in advising companies on global project management, and executing international strategy with a focus on both operational success and cultural consciousness. At a time when little management theory was known about international teams, he started working on projects in India, South America, and Eastern Europe. While abroad, he began to understand other cultures in a way that few Americans did and, as a result, developed curriculum for companies that bridged the gap between Western management theory and their failure to translate internationally.



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