

CULTURAL BOUNDARIES IN BUSINESS COMMUNICATION

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ABSTRACT: *The paper approaches the global business environment as a space of cultural diversity and examines it from the perspective of the cultural issues to be dealt with in order to develop efficient business relations. In this sense, the study illustrates the way in which culturally determined patterns of thought and behavior such as time perception, verbal and non-verbal communication, and the attitude towards hierarchy determine every aspect of business interaction, from protocol and negotiation to leadership and decision making.*

KEY-WORDS: *global business environment, intercultural communication, cultural boundaries, cross-cultural business communication.*

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1. MAJOR VARIABLES OF INTERCULTURAL COMMUNICATION. A THEORETICAL BACKGROUND

The concept of intercultural communication was first defined by American anthropologist Edward Hall in his book *Beyond Culture* (1976), in which he provides a classification of cultures into *high-context* and *low-context* according to the ways in which information is conveyed and interpreted across different cultures and the importance granted to context. In 1995, specialist in business communication, Carol Kinsey Goman expands Hall's classification on grounds of the observation that cultural differences go as deep as to the medium of communication, whose variations delineate three basic oppositions: high – context/ low – context; sequential/synchronic; affective/neutral cultures (Kinsey Goman, 1995, p. 60).

1.1. High – context vs. Low – context Cultures

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The book entitled *Cultural Context Inventory* (2008), edited by C.B. Halverson and S. A. Tirmizi provides a detailed description of the two categories from five perspectives, namely:

1. **Association** - the way in which people build relations and their perception of individual identity and authority;
2. **Interaction** - communication styles, the use of verbal and non-verbal language, and conflict management;
3. **Territoriality** - interpersonal space management;
4. **Temporality** - time perception and management;
5. **Learning** - information management and learning styles.

From these five perspectives, *high-context cultures* (Asian, African, Arab, central European and Latin American) display the following characteristics:

- **Association.** An individual's identity is rooted in groups and relationships are built slowly and on trust. Productivity also depends on relationships within groups, as social structure and authority are centralized.
- **Interaction.** Verbal messages are indirect, whereas nonverbal elements (voice, tone, gestures, facial expression and body language) are granted major importance. People are sensitive to non-verbally expressed conflict and disagreement is personalized.
- **Territoriality.** People are open to space sharing and feel at ease standing close to each other.
- **Temporality.** Time is perceived as a process whose development goes beyond individual will. Therefore, change is slow and events cannot be scheduled easily;
- **Learning.** Knowledge is acquired from multiple sources of information, in a learning process based on observation of models and practice. This learning style is associated with a deduction-based thinking process

By contrast, *low - context cultures* (western European, Germanic and English – speaking countries) are described as it follows:

- **Association.** An individual's identity is rooted in themselves and their accomplishments, whereas relationships are more dynamic, with abrupt beginnings and quick ends. Productivity has to do with the efficiency of procedures and the capacity to focus on the goals, whereas social structure is decentralized.
- **Interaction.** Verbal messages are explicit, and non-verbal elements are not significant. Dissatisfaction is freely expressed and disagreement is depersonalized, being focused on rational solutions.
- **Territoriality.** Privacy is of major importance, so interpersonal space grows considerably.
- **Temporality.** Time is viewed as a personal commodity to be spent or saved. Therefore, change is faster and events and tasks are scheduled with precision.
- **Learning.** Knowledge is acquired from one source of information, learning being based on following the explicit directions and explanations of others. This learning style is associated with an induction-based thinking processes, in which individual orientation is preferred, and speed is of utmost importance (Halverson & Tirmizi 2008).

Given the above, it becomes obvious that the differences between the two types of cultures affect every level of human interaction, going as deep as the dynamics of communication.

1.2. Sequential vs. Synchronic Cultures

The differences between these categories refer to time perception, with direct influence on timing and scheduling activities. Sequential cultures (North American, English, German, Swedish, and Dutch) view time as a linear commodity to “spend” “save”, or “waste”, whereas synchronic cultures (South America, southern Europe and Asia) perceive time as a circular flow that can be experienced only fragmentarily.

In the business environment, these perceptions shape different approaches to such concepts as punctuality, deadlines, strategic thinking, investments, and long – term planning. For instance, people from sequential cultures consider being late as a sign of bad planning and disrespect, whereas people from synchronic cultures consider the insistence on timeliness as a sign of immature impatience.

Another essential difference that influences business interactions is the orientation to the past, present, and future. Thus, sequential cultures display a more pragmatic view, which excludes time variables and hazard, favoring short – term planning and a minimal degree of affective implication in everyday encounters and in business. Synchronic cultures, on the other hand, tend to emphasize the past and such related concepts as individual roots, memories and bonds, which determines a more sentimental attitude whether in daily life or in business dealings.

1.3. Affective vs. Neutral Cultures

This distinction involves the proportion of reason and emotion involved in business interactions. Thus, people from affective cultures tend to display their emotions plainly, unlike and the representatives of neutral cultures, characterized by carefully controlled reactions and subdued emotions. Research conducted in different national business environments found that emotional reactions are least acceptable in Japan, Indonesia, the U.K., Norway and the Netherlands, and most accepted in Italy, France, the U.S. and Singapore (Kinsey Goman, 1995, pp.110 – 111).

2. CULTURAL DIFFERENCES AND THEIR IMPACT ON CROSS-CULTURAL BUSINESS COMMUNICATION

2.1. Approaches to Cross-cultural Business Communication

The three basic oppositions mentioned in the previous section outline patterns of thought and behavior that differ from the point of view of communication styles, time perception and emotional involvement. The impact of cultural differences on business communication has become a major preoccupation in recent literature, mainly focused on the identification and understanding of cultural differences as part of the planning of any cross-cultural encounter. In this sense, intercultural communication

specialist Erin Meyer suggests an eight-scale model that covers the three cultural oppositions established by Kinsey Goman and includes the following levels of interaction:

- Communicating (low-context vs. high-context)
- Evaluating (direct negative feedback vs. indirect negative feedback)
- Persuading (principles first vs. applications first)
- Leading (egalitarian vs. hierarchical)
- Deciding (consensual vs. top-down)
- Trusting (task-based vs. relationship-based)
- Disagreeing (confrontational vs. avoids confrontation)
- Scheduling (linear time vs. flexible time) (Meyer 2014, p.16)

According to the author, these eight scales should be applied to the cultures involved in a business context in order to plot a diagram called a ‘culture map’, where the intersecting and divergent lines provide valuable cues about how to bridge cultural gaps by breaking through the ‘invisible psychological boundaries’ of cross-cultural communication (Meyer 2014, p. 17). Other specialists have gone one step further, by creating genuine guides to doing business abroad, with descriptions of the social and cultural background of countries all over the world and detailed protocol and negotiation tips.

2.2. The Challenges of Doing Business Abroad. Breaking Through Cultural Barriers

As we have mentioned before, the literature in the *how to do business abroad* series provides basic information meant to enhance both cultural awareness and the capacity for adaptation to the business practice and protocol in the global business environment. For the sake of realism, however, we should bear in mind that no culture is a perfect representative of a certain category, but rather a combination of characteristics pertaining to different patterns, of which one is predominant.

For instance, a notorious guide to intercultural business published in 2006 describes Romania, a predominantly high-context culture, as it follows:

1. Business practices are characterized by

- punctuality and the necessity to make appointments well in advance;
- preference for correspondence in English, which will allegedly be granted more attention than that in Romanian;
- predominance of English among the spoken languages.

2. Negotiation:

- older Romanians share the communication style of the Eastern Europeans who lived under the totalitarian regime, tending to communicate obliquely and answer questions with long stories from which the interlocutor should extract the essence;
- business relations are built very slowly, but prove to be durable once established.

3. Protocol:

- hand shaking is widely used among men on different occasions, not only when they are introduced, but also as part of the usual greeting. However, a woman should be expected to extend her hand first;

- at the moment of introduction, men should stand up, whereas women will remain seated;
- close persons (generally women, although men are not excluded) tend to greet each other expansively, often kissing on both cheeks;
- the degree of formality in addressing someone varies according to their age: older persons expect to be addressed by their surname, whereas the young have adapted to the western cultural model. Professionals, however, will be addressed by their title and surname;
- formal occasions such as business meetings and meals call for business wear.

4. Human relations:

- Romanians have an expansive behavior of Latin and Slavic origin, as well as a tradition of hospitality, sometimes considered aggressive;
- gift giving is part of business relations, and sometimes it is difficult to discern it from bribery (Morrison & Conaway 2006, pp.408-414).

As a result of the above, people who intend to do business in Romania are advised to arrive on time for business meetings, be patient during the slow process of establishing business contacts, as well as with the frustrating bureaucratic system, and have small gifts at hand for exchange on different formal or informal occasions. At the same time, foreigners are warned that the Romanians have a sharp sense of humor, but they are hard bargainers, characterized by unpredictability, spontaneity, and boldness in taking risks. Last, but not least, they are suggested to grant major importance to personal relations as a basis of efficient business interaction.

Another example of high-context culture, China, is presented in the following way:

1. Business practices are characterized by

- the crucial importance of punctuality, any lateness or cancellation being considered a serious affront;
- the necessity to establish contacts on a high official level before taking the actual business trip.

2. Negotiation:

- the presence of an interpreter is essential in order to understand the nuances of the language;
- slang, jargon, and figures of speech should be avoided, whereas sentences should be short and separated by adequate pauses in order to avoid misunderstandings;
- patience and close control of emotions are essential, since the Chinese are known to drag out negotiations beyond deadline, as well as to renegotiate initial deals in order to gain advantages;
- exaggerations of any nature should be avoided, since the Chinese always investigate their business partners very carefully;
- decision making is still largely based on superstitions related with auspicious days and hours;

3. Protocol:

- the highest-ranking member of a business delegation is expected to lead the way into a meeting room, where the conversation is conducted by the senior officials on each side;

- greeting is generally limited to a slight nod or bow although handshakes are fairly common (if the Chinese associate extends a hand first);
- introductions are formal, with special attention paid to courtesy and avoidance of familiarity;
- when visiting larger gatherings, people will most likely applaud as a sign of welcome, so the guests should be able to reciprocate the applause;
- the high sensitivity to status in the Chinese culture imposes the use of official titles followed by family names;
- in the absence of an official title, it is recommended to use “Mr.” followed by the person’s surname, or “Madam” followed by the interlocutor’s maiden name, since Chinese women don’t take their husbands’ surnames;
- exaggerated gestures and dramatic facial expressions should be avoided, as well as physical contact, especially when dealing with people of an older age or higher position;
- any display of affection in public between persons of opposite sexes is considered inappropriate;
- business meetings require formal clothing, whereas revealing clothes are considered offensive under any circumstances.

4. Human relations

- previous documentation about the country is recommended, since the Chinese appreciate foreigners who show interest in their history and culture;
- when invited to a restaurant or someone’s home, punctuality is of utmost importance;
- acceptable table conversation topics include, apart from complimenting the cook, Chinese sights, calligraphy and inquiries about the health of family members;
- at official dinners, toasting is initiated by the host and can go on the whole evening;
- at a meal, not leaving anything in the bowl is regarded as an insult to the host, meaning they were unable to serve enough food;
- the effort of foreigners to use for eating chopsticks is highly appreciated, but the strict rules of this ritual should be carefully observed;
- gift giving is widespread, although against the law;
- as a consequence of the above, offering a valuable gift to someone in the presence of other people will cause the recipient embarrassment and trouble;
- offering a gift in an official context, after the deal has been closed, on behalf of the company represented at the business meeting, is a valid solution to the issues presented above;
- it is also useful to remember that it is customary for the Chinese to refuse a gift three times before they accept, in order not to appear greedy;
- generally, offering a banquet to reciprocate the one offered by the Chinese hosts is considered an acceptable gift (Morrison & Conaway 2006, pp. 94-99).

At the other extreme, doing business in a predominantly low-context culture such Germany involves awareness of the following characteristics:

1. Business practices:

- Germany grants more importance to punctuality than any other country in the world, whether it is about business appointments or social engagements;
- appointments should be made at least one week in advance by sending an e-mail or even a written letter addressed to the company in general, rather than to an individual executive;
- if two or more people are in charge with a certain business on the German part, all of them should be in agreement before the appointment is set or the deal is closed.

2. Negotiation:

- the process of decision-making is methodical and much slower than in most other European countries, as a series of hidden advisers and decision-makers are involved besides the official chain of command;
- directness and blunt criticism are customary, so they shouldn't be taken personally;
- accuracy of information and detailed presentations are highly appreciated;
- as Germans abhor exaggerations, any claims should be supported with a large amount of data and based on examples and case studies;
- German punctuality doesn't extend to delivery dates, which may be exceeded without explanation or apology;
- close business relations are established very slowly, but the initial coldness vanishes over time;
- education is highly valued, so academic degrees should be included on the business card;
- promotional materials and instruction manuals should be translated into German;
- socializing is usually not part of the business meeting and, when it is, personal topics are never touched upon;
- Germans do not appreciate emotional displays or humor in a business context;
- giving and receiving compliments is not customary, since everything is assumed to be satisfactory unless otherwise stated;
- problems should be explained clearly and unemotionally, preferably in writing;
- privacy is very important, so personal questions should be avoided.

3. Protocol:

- handshakes are customary at the beginning and the end of a business meeting, accompanied by a nod of the head;
- especially in the presence of senior executives, behavior should be formal and reserved;
- direct eye contact is expected during conversation as a sign of trustworthiness, whereas keeping one's hands in one's pockets is considered insulting;
- traditionally, only close friends use first names as a form of address, whereas younger Germans tend to be less formal;
- the customary forms of address in business contexts are professional titles or "Mr.," "Mrs." followed by the surname;
- there are significant variations in the degree of formality, according not only to age groups, but also to regions (for instance, Bavarians are warm, hospitable and casual, whereas northern Germans are colder and much more distant);
- like the behavior, business dress is very conservative, both for men and women;

4. Human relations

- business entertainment is generally limited to official lunches or dinners, but business is never discussed during the meal;
- Germans almost never invite people to their homes, unless they are close friends;
- smiles and displays of affection in public are very rare, this kind of openness being reserved to close friends;
- noisy manifestations such as greeting and waving from a distance are also disapproved of;
- expensive gifts are neither offered, nor expected;
- good quality, small objects, preferably from the guest's home region will be appreciated (Morrison & Conaway 2006, pp. 182-188).

3. CONCLUSIONS

By putting together an eastern European, an Asian and a western European culture, this study points out that, apart a certain common ground they share in terms of business etiquette, there are differences on a deeper level, pertaining to fundamentally divergent customs, traditions and collective mentality. Therefore, since business relations are ultimately instances of cultural interaction, the future of global business depends on people's capacity to deal with diversity in an open and balanced manner. This balance involves being aware of one's cultural identity against the larger background of diversity, since "it is only when you start to identify what makes your culture different from others that you can begin to open a dialogue of sharing, learning, and ultimately understanding" (Meyer 2014, p. 244).

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