CASE STUDY SELECTED EUROPEAN COUNTRIES

- SOUTHERN EUROPE BUSINESS
- GERMAN BUSINESS CULTURE
- NORDIC COUNTRIES BUSINESS CULTURE

 $\frac{\text{https://www.youtube.com/watch?v=dtWJlEDEUM}}{\underline{\mathbf{E}}}$





Doing Business in Germany

- https://www.youtube.com/watch?v=n8K9FZo4OlI
- o https://www.youtube.com/watch?v=iNP1xWk-8xk&list=PLZqUO9ds4yp_qDAa-cDNrPqdkFleYwuyT
- o https://www.youtube.com/watch?v=1NS0Znw27-U&index=2&list=PLZqUO9ds4yp_qDAa-cDNrPqdkFleYwuyT
- https://www.youtube.com/watch?v=qdjaXj0nAu8
 &index=3&list=PLZqUO9ds4yp_qDAacDNrPqdkFleYwuyT

GERMANY

- o population 82 mln, density 226/km2, area 357 168 km2
- Germany leads Europe by having the greatest solar and wind electricity generating capacity on the continent
- Volkswagen, Allianz, Daimler, BMW, Siemens, BASF, Munich Re, E.ON, Bayer, and RWE
- Medicine and healthcare (incl. sectors such as medical engineering and the healthcare industry)
- Transport and logistics (incl. automotive construction, transport systems technology, aerospace)

GERMANY

- Chemicals and pharmaceuticals (with disciplines such as life sciences
- Biotech and gene technologies, biochemistry and new materials)
- Technology and innovation (from mechanical engineering to IKT, optical and electrotechnologies to microelectronics and nanotechnology)
- Energy and the environment
- Financial services

THINGS TO REMEMBER WHEN DOING BUSINESS WITH GERMANY

- in many respects, Germans can be considered the masters of planning
- German culture prizes **forward thinking** and knowing what one will be doing at a specific time on a specific day well ahead in the future
- careful planning, in one's business and personal life, provides a sense of security
- rules and regulations allow people to know what is expected and plan one's life accordingly
- once the proper way to perform a task is discovered, there is no need to think of doing it any other way

THINGS TO REMEMBER WHEN DOING BUSINESS WITH GERMANY

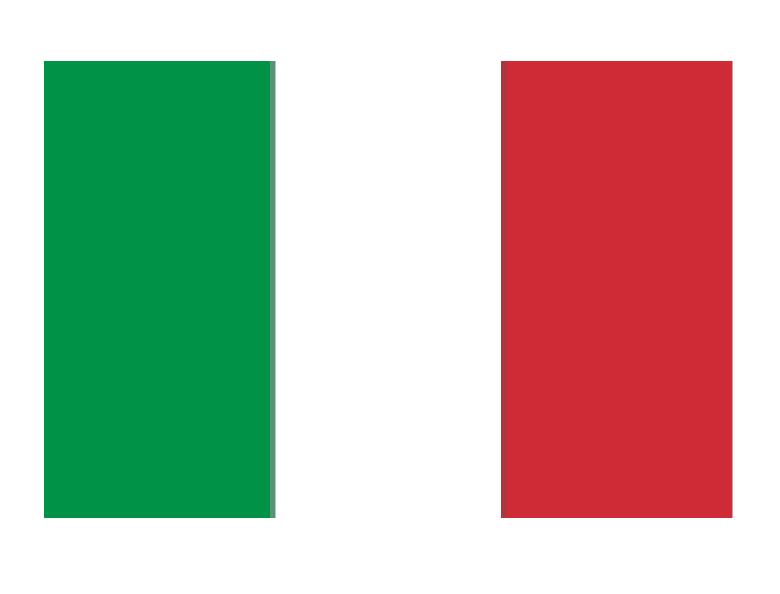
- Germans are **not risk takers** and they insist on having things reasonably under control
- Germans are strongly individualistic
- Germans do not like surprises sudden changes in business transactions are unwelcom
- In German business culture, this is reflected in the adherence to prescribed **business rules** resulting in, a low degree of flexibility and spontaneity in attitudes and values
- **business dress** in Germany is understated, formal and conservative
- strict anti-corruption laws apply to domestic economic activity and these are rigorously enforced

THINGS TO REMEMBER WHEN DOING BUSINESS WITH GERMANY

- **shake hands** at both the beginning and the end of a meeting
- age takes precedence over youth
- o punctuality is necessity Germans value their time
- if you are going to be even slightly late, call ahead and explain your situation
- Germans are very private
- o titles are very important
- o business decisions are not made over the phone
- religion is something that is considered to be personal - very few Germans will engage in a religious conversation

GIFTS

- gift giving among business associates is not common in Germany
- there has recently been a move towards concentrating much more on the actual business at hand, and less on formalities and rituals like gift giving when travelling on business
- however, for more social occasions, gift giving is relatively customary
- o do not give carnations as they symbolise mourning
- do not give lilies or chrysanthemums as they are used at funerals
- o gifts are usually opened when received





ITALY

HTTPS://WWW.YOUTUBE.COM/WATCH?V=6BR99GZRVDO

- Italy is a peninsula covering 301,338 km2, and surrounded by the Mediterranean Sea
- o population is about 60.7 mln, density 202/km2
- there is a clear **economic gap** between north and south, where the economy is based on small enterprises mainly agricultural and manufacturing, and the tourism sector
- Italians are mostly raised as Roman Catholics even if the influence of the Church is decreasing
- main industries: iron and steel, cement, chemicals, plastics, production machinery, motor vehicles, shipbuilding, space and aircraft, machine tools, communications, medical apparatus, pharmaceuticals, food and beverages processing, textiles, clothing, fashion, home appliances, tourism

	Country Rank	Company	Global Rank	City	Revenue (in \$ millions)
	1	ENI	17	Rome	153,676
	2	EXOR Group	45	Turin	117,297
	3	Assicurazioni Generali	48	Trieste	112,628
	4	Enel	52	Rome	110,560
	5	UniCredit Group	164	Milan	57,213
	6	Intesa Sanpaolo	193	Turin	49,472
	7	Telecom Italia	244	Milan	42,070
	8	Poste Italiane	361	Rome	30,164
	9	Finmeccanica	443	Rome	24,849
Source: Fortune Global 500					

THINGS TO REMEMBER WHEN DOING BUSINESS WITH ITALY

- "Time is money" not a common phrase in Ita ly
- foreign businessmen/women should be punctual for business appointments
- handshakes are common for both sexes
- do not expect quick decisions or actions to take place
- Italian companies often have a rigid hierarchy
- it is common for everyone to speak simultaneou sly at meetings
- don't exchange business cards at social occasion

THINGS TO REMEMBER WHEN DOING BUSINESS WITH ITALY

- there are many tradition-related differences that exist between Northern and Southern regions
- Northern people appear more reserved and Southern people more open and relationship oriented





SPAIN

HTTPS://WWW.YOUTUBE.COM/WATCH?V=MO5EOLWTGEO

- 505,182 km² over the Iberian Peninsula to the southwest of Europe
- o population 46,4 mln, density 92/km2
- Spain was one of the world's major powers with significant overseas activities, including sponsoring the successful voyage of Christopher Columbus
- main industries: achine tools, metals and metal manufactures, chemicals, pharmaceuticals, shipbuilding, automobiles, tourism, textiles and apparel (including footwear), food and beverages.

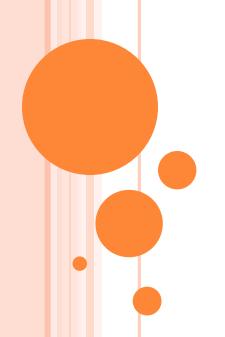
- Company (headquarters) Revenue1 Banco Santander
- o (Santander, Spain) \$100.3 billion 51
- o 2 Telefonica
- o (Madrid, Spain) \$80.4 billion 78
- o 3 Repsol YPF
- o (Madrid, Spain) \$70.4 billion 94
- o 4 BBVA
- o (Bilbao, Spain) \$43.4 billion 196
- 5 Iberdrola
- o (Bilbao, Spain) \$40.3 billion 213

THINGS TO REMEMBER WHEN DOING BUSINESS WITH SPAIN

- o once your relationship with Spanish business associates has developed into a strong bond, friendly gestures, such as hugging, may become acceptable
- Spanish style of life is very different to other western European cultures, with a much more laidback attitude
- You will most probably find Spanish people to be less
 worried and more relaxed
- **family** is an important part of Spanish life and changes within the family institution also affect business attitudes
- Spain has made significant progress on equal opportunities for both sexes, although men still hold the majority of senior positions within companies

NORDIC COUNTRIES

HTTPS://WWW.YOUTUBE.COM/WATCH?V=HOIRVKQO1N8
HTTPS://WWW.YOUTUBE.COM/WATCH?V=R_LNKJTQWWW









A FEW COMMON FEATURES

- democratic company is generally the ideal in the Nordic countries
- **short lines** of communication between management and employees
- companies take care of employees everyone is to feel significant and that their voices are worth listening to
- people in the Nordic countries are characterised by their **Lutheran heritage** (they are disciplined and have a strong work ethic)
- Nordic societies are strongly influenced by the concept of the welfare state
- **gender equality** permeates administration, business culture and relationships between people

A FEW COMMON FEATURES

- deliberate and ambitious actions to support sustainable development are integrated at all levels in the business enterprise
- transparency, trust, honesty a very low level of corruption
- Nordic handshake is to be firm and fast person from a Nordic country is often uncomfortable with cheek kissing and too much hugging
- the standard of spoken English is very high in the Nordic countries
- Nordic countries usually top all the world's ranking lists, regardless of whether these concern welfare, economy, production, gender equality

DENMARK

- o population of 5.5 million (pop. density 129/km2); area 43 094 km2
- 1.9 million of which live in and around the capital, Copenhagen
- Denmark is the smallest of the Scandinavian countries and by traditionally is a predominantly agricultural country
- apart from oil and natural gas from the North Sea, Denmark has few natural resources of its own
- major trading and maritime enterprises

THINGS TO REMEMBER WHEN DOING BUSINESS WITH DENMARK

- The Dane is:
 - individual
 - "Take it easy now" is a commonly-used expression
 - declining an invitation to go out loses you a lot of points unless you have a very good excuse
- The Danes have a long tradition as a trading nation and are known to be skilful and tough negotiators that do not give in too easily
- absolute top priority for a Dane in a negotiating situation is to maximise benefit on his side of the table

THINGS TO REMEMBER WHEN DOING BUSINESS WITH DENMARK

- The Danes are **strong nationalists** and prefer things to be done in a Danish way
- they have retained the **Danish krona** in spite of being a member of the EU
- The Danes live in a relatively small country that was once larger - perhaps this explains the very burning ambition to play the leading role on the international arena in all possible situations
- o don't joke about the size of Denmark
- despite being a Nordic country, the business culture is fairly hierarchical
- the boss makes the decisions if a meeting goes silent, this means agreement with what is being discussed

- Danes like: Open sandwiches for lunch, but watch out for the younger generation, which may have become 'sushified'. Making good deals.
 Danish beer. Their pleasant capital (unless the person comes from some other place in Denmark).
 - Modern design. Weak coffee (but for goodness' sake don't tell a Dane that it is weak!). Their queen, Margrethe.
- Danes don't like: Foreign beer (strangely enough!). Excessively strong personal convictions, fanaticism. People can joke about women and feminism, unlike in Sweden where such things are never, NEVER joked about. Strong coffee. People trying to educate them. Because it's impossible.

THE DANES CAN BE PROUD OF

- The Little Mermaid and H.C. Andersen
- Royal Copenhagen
- LEGO
- Discovery of electromagnetism
- The silent compartment on the train
- Bang & Olufsen (high-end televisions, sound systems, loudspeakers, car audio etc)
- The cycling culture
- Mærsk (global conglomerate operating in global trade, shipping and energy)
- The best business climate in the world according to the American business newspaper, Forbes

FINLAND

- declared independence from Russia on 6
 December 1917, since when this has been the country's National Day
- o population is 5,3 mln and the population density is 17.1/km2; area: 334 424 km2
- capital Helsinki has a population of 1,1 mln in its metropolitan region
- o forest is Finland's main resource
- Finland is a predominantly industrial country, with the most important sectors being electronics and forestry (paper)
- Finland is officially bilingual: 91.5% speak Finnish while 5.5 % speak Swedish

THINGS TO REMEMBER WHEN DOING BUSINESS WITH FINLAND

- The Finns are hard working
- gathering information is taken very seriously, which makes managers knowledgeable and wellprepared to make quick decisions
- employees show **great solidarity** with their company as long as the sense of justice, central to Finnish business culture, is satisfied
- Finnish people are **very punctual** and expect the same of the other party

THINGS TO REMEMBER WHEN DOING BUSINESS WITH FINLAND

- Company traditions are important, and people are often a little sceptical about the value of unmotivated reorganisations and modern management methods
- nature, silence and saunas are important for the Finns
- o if you're lucky enough to be invited to a **sauna** party, enjoy it!
- silence... a Finnish person can be so quiet that people can perceive them as curt and bad-tempered
- the words are particularly important in Finland, and silence can, remarkably enough, be perceived as competency

- Finnish people do not like: Nonchalance and carelessness Boastfulness Lack of commitment Food that is too salty
 Empty words
- Finnish people like: Sour rye bread Ice hockey. Especially when Finland crushes Sweden. The country's status as a republic. Denmark, Norway and Sweden are monarchies. Wife carrying. Running with a woman on your back for 253.5 metres as quickly as possible. Minimum weight (of the woman) is 49 kg.

FINNISH PEOPLE CAN BE PROUD OF

- beautiful lakes (country of a thousand lakes)
- their country regularly topping the annual list of the world's least corrupt countries
- Nokia
- Kalevala (Finland's ancient national epic poem)
- their racing drivers
- Iittala, Marimekko (glass itomes for serving and as an decorational object)
- Father Christmas's choice of location (Rovaniemi)
- Jean Sibelius (composer of the late Romantic period)
- the sauna of course

NORWAY

- Norway is an elongated and mountainous country along Scandinavia's Atlantic coast
- o for a long time it was under Danish rule but, in 1814, it was forced into a union with Sweden
- o country declared independence in 1905
- Norway has a population of 4,86 mln and a population density of 12.6/km2; area: 385 178 km2
- capital is Oslo and the population of the metropolitan area is 1,2 mln
- very rich in natural resources forest, water power, fish and, above all, oil and natural gas in the North Sea which have made Norway one of the wealthiest countries in the world
- is not a memebr of the EU, only memebr of European Economic Area

THE NORWEGIAN IS:

- o enthusiastic
- positive
- individualistic (this is the result of living in remote mountain values with poor communications)
- a nature lover the Norwegian's favourite recreational activity is to go out in the countryside, i.e. walking or skiing
- nationalistic
- interested in sport Norway is very successful at winter sports with world champions in most events

THINGS TO REMEMBER WHEN DOING BUSINESS WITH NORWAY

- Norway is one of the world's biggest exporter of oil and natural gas
- o GNP per capita just over USD 83,000
- income is distributed very evenly and unemployment is the lowest in Europe
- if capital is not in short supply, then the labour force is
- Norway has significant work force immigration
- salary levels are high in international terms, it can be difficult to find (and then pay!) skilled workers
- Norwegian government owns more enterprises than is the case in other European countries

THINGS TO REMEMBER WHEN DOING BUSINESS WITH NORWAY

- Norwegians are **positive by nature** and are more inclined to see opportunities rather than difficulties
- according to certain observers, the high salaries have led to many Norwegians lowering their levels of ambition in terms of work performance and education
- in 2003, Norway became the first country in the world to introduce legislation about **gender quotas** on company boards
- at least 40% of board members are to be women
- hierarchies are shallow, and employees are on first-name terms with managers

- Norwegians do not like: The EU. It is usually only the Prime Minister who enthuses about membership. Pettiness. Pretence. Advantage through inheritance. But it doesn't exist in Norway, since there has hardly been any nobility.
- Norwegians like: The large expanses.
 Sea, mountains, forests. Personalities. At all levels. Pinnekjøtt (lamb) and rakfisk (trout) national dishes. Sweaters (lusekofta) Hardanger fiddle (folk music instrument). Fresh air.

NORWEGIANS CAN BE PROUD OF

- Greatest freedom of the press in the world
- Edvard Munch (painter and printmaker)
- Edvard Grieg (composer and pianist)
- Statoil
- Lofoten cod and farmed salmon
- North Cape, the most northerly point on the European mainland
- their maritime traditions
- Norsk Hydro (global supplier of aluminium)
- Henrik Ibsen (playwright, theatre director, and poet)
- the landscape

SWEDEN

- Sweden is the largest of the Nordic countries
- population is 9,4 mln (population density 21/km2), and the capital is Stockholm with its population of 1,25 mln; area: 449 964 km2
- Sweden has many resources forest, metal ores, water power – and is a predominantly industrial country
- the Swede is:
 - rational
 - pragmatic
 - consensus-oriented
 - inclined to watch how everyone else is behaving

THINGS TO REMEMBER WHEN DOING BUSINESS WITH SWEDEN

- Swedes are practical and **are looking for a result** that has a practical use
- making an agreement that is successful in the long term is more important than a deal that brings short term benefits
- there are firmly fixed **ethical norms** what is said is what applies, solutions must be environmentally sound, safety is prioritised, gender equality
- **shallow hierarchies** everyone has the right to express themselves and wants to do so
- decisions are preferably taken by consensus
- silence in a meeting with employees sometimes is a sign of dissatisfaction
- a line in the national anthem is actually, "You quiet joyful beauty"

THINGS TO REMEMBER WHEN DOING BUSINESS WITH SWEDEN

- traditions, ceremonies and formal titles are unimportant
- o formal hierarchies too
- Swedes are really all friends together
- however, there are often also hidden hierarchies that are difficult to break through
- in Sweden it is important to be, or appear to be, modern; being "at the forefront" is a commonly used phrase
- in business lunches it is OK with a few words about the weather by way of introduction, but then it's straight down to hard facts
- o no nonsense about culture and social debate
- it's possibly acceptable to mention that you like ABBA. This puts Swedes in a good mood

THE SWEDES CAN BE PROUD OF:

- their rivers, forests, mountains and valleys
- o Volvo, SAAB, Scania
- the Nobel Prize
- o raw, spiced salmon (gravad lax)
- o IKEA, H&M
- o the Ice Hotel in Jukkasjärvi
- Ingrid and Ingmar Bergman
- the law of common access people have the legal right, based on custom, to enter another person's land
- their high economic standard and well-oiled social machinery

Greece - The Hellenic Republic population 10,8 mln, density 84/km2, area 131 940 km2

https://www.youtube.com/watch?v=iSYMxsXOsD8



Build Relationships

- Greeks like to do business with people they know the first business meeting you have with your Greek colleagues will help to establish a relationship and build trust
- Respect seniority
- Greeks respect senior business colleagues senior business people make the decisions very often when giving a presentation, it is important to focus on the senior business people, as they will be propobly the determining players
- Expect small talk
- Greeks like to get to know their potential business partners before conducting business
- Be punctual?
- Foreigners should be punctual for business meetings although Greeks may not
- Do not expect to follow an agenda
- Greeks see meetings as opportunities for discussion and will deviate from agendas often many people will speak at once

Meeting & Greeting

O The handshake is the most common form of greeting in the business environment. Among friends or close acquaintances you may also see an embrace or kiss.

Cultural Nuances

O To say 'no' in Greece use an upward nod of the head. For 'yes' tilt the head to either side. However, note that many Greeks now also use the European/North American gestures too so it can be confusing!

The "OK" sign

ocircled thumb and forefinger - may be considered obscene. Never raise an open palm at face level as this is an insult. If you see a Greek make a puff of breath through the lips, they are warding off the 'evil eye'. This is usually done after receiving a compliment.

Try and avoid discussions involving sensitive issues such as with Turkey, the Cyprus issue, or the politics of the former-Yugoslavia

- Nepotism is acceptable in Greece
- Family members will often help each other find jobs. It is not unusual for multiple family members to work in the same company.
- Greeks conduct business slowly
- Please keep this in mind and avoid allowing yourself to become impatient. If you impose a deadline on decision making, you risk damaging the business relationship. Go that extra mile and impress your Greek colleagues by providing a Greek translation of all pertinent documents.
- Do not do anything that questions the honor of a Greek colleague
- Do not question a Greek colleague's statements. Expect lots of emotion and physical contact when speaking with Greeks, as this is a demonstrative culture. Your Greek colleagues may raise their voices when speaking with you. This does not indicate anger. They also may touch you on the arm when speaking with you.
- The work schedule varies in Greece
- From May to October, Greeks work from 8:00 1:30 and from 4:00 7:30 p.m. From October to May the lunch break may be longer.

- DO greet by shaking hands, smiling and maintaining eye contact.
- DON'T be put off by personal questions. Greeks are warm and often curious people.
- DO call senior colleagues by their title and surname in more professional environments.
- DO be prepared to network and spend a lot of time getting to know your associates.
- DO be prepared to negotiate and haggle.
- DO make sure that official documents and business cards are in English and Greek.
- DON'T be late, even if your Greek associates are.

Gifts: Especially with the country's reputation for corruption, gifts are best left to friends, family and close acquaintances.

Romania population 20 mln, density 82/km2, area 238 391km2

https://www.youtube.com/watch?v=fd0RsVewKE8



Business structure

- A strong hierarchical system exists, wherein businesses follow a top-down model of delegation. Decisions are rarely questioned or challenged by those of lower rank.
- Most business dealings are very formal
- Senior members of the group are accorded the most respect and privileges. Responsibilities and positions are clearly defined. Those with authority command a higher level of respect. This is often reflected in the decision making process and use of titles and formal greetings.
- Business meetings
- Meetings are usually quite formal, and often dominated by the senior decision maker. There is little small talk or informal discussion. One should not ask for personal information as Romanians value privacy.
- Meeting schedules are not rigid in the country.
- An agenda may exist; however, it serves as a guideline for discussion and can act as a springboard to other business. Therefore, one should remain flexible in his/her approach.

- Romanians can be tough negotiators
- They are concerned about being taken advantage of by foreigners. Decisions are only made by the most senior members of the Romanian party. Therefore, it is recommended to save concessions and the like until speaking or meeting directly with them.
- Contracts are considered to be statements of intent rather than binding agreements.
- Note that decisions can be reversed. Nothing is concrete when doing business in Romania.
- Social
- Romanians prefer to conduct business with people who are down to earth and do not brag about their accomplishments or financial achievements. Romanians are very friendly; however, business is somewhat reserved and formal initially. Although the country boasts a relationship-driven culture, Romanians give equal importance to privacy. It takes a while to earn trust, but once gained, it opens many doors. Romanians are generally shy and quiet initially

Gifts

• Gifting is not a normal practice in Romanian business culture. However, one should carry a small bouquet of flowers, or chocolates, or liquor as gift when invited to a Romanian home.

Business environment

• The country is still governed by a great deal of bureaucracy. Personal relationships are crucial if one wishes to cut through the red tape. Many businesses involve overlapping local bureaucracies. This makes conducting business a time consuming process, which requires perseverance.

Punctuality

• Punctuality is considered a strength when doing business and it is important to arrive at the appointed time, or even a little earlier, for a meeting. Normal business hours are 0900–1700. Appointments are necessary and should be scheduled 2 to 3 weeks in advance, preferably by letter.

Business Card Etiquette

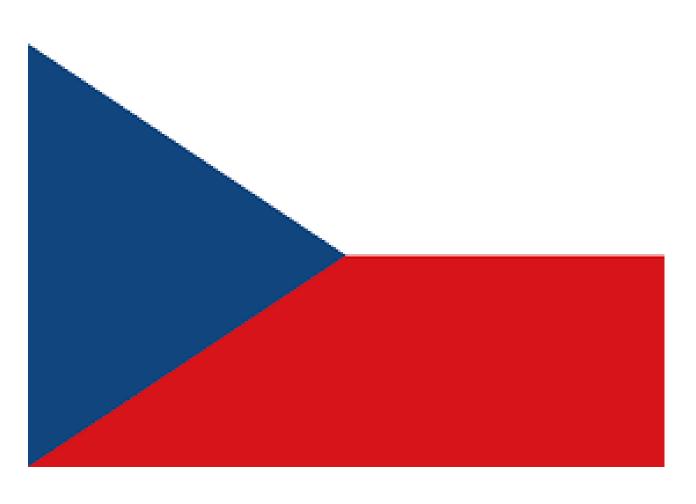
• Business cards are exchanged without formal ritual.

Negotiating

- Business is hierarchical. Decision-making power is held at the top of the company. Most decisions require several layers of approval. At times it may appear that no one wants to accept responsibility for making the decision.
- It may take several visits to accomplish a simple task. Romanians can be tough negotiators. Hire your own interpreters for meetings and negotiations. Avoid confrontational behaviour or high-pressure sales tactics. Decisions are easily reversed.
- Use an indirect negotiating style. Being too direct is viewed as poor manners. Do not change members of a negotiating team before a decision is reached or the relationship-building process will have to begin anew.

Czech Republic population 10,5 mln, density 134/km2, area 78,866 km2

https://www.youtube.com/watch?v=y9IVr_n1o8Q



Meeting and Greeting

O Initial greetings are formal and reserved.

Most greetings include a handshake, direct eye contact, and the appropriate greeting for the time of day. Moving to the informal without an invitation insults the person and may be viewed as an attempt to humiliate them.

Gestures

• In the Czech Republic you will notice people get someone's attention by raising their hands, palm facing outwards, and extending the forefinger.

Doing Business

O Doing business in the Czech Republic still has both Russian and German influences. When negotiating it is important to bear in mind that the country has a complex legal system and plenty of red tape regardless of efforts to modernise it. Be prepared for a certain amount of bureaucracy.

Negotiating

O Politeness prevents many Czechs from giving an absolute 'no'. However, statements such as 'It is difficult' or 'We will see' are often negatives.

- Relationship building is an important part of oiling the wheels of business.
- Make an effort to get to know your counterparts personally. Engage in conversation and try to learn a bit more about their family and interests.
- The decision making process can be quite slow
- As they prefer an unhurried, methodical approach to analysing proposals and figures. Be sure to bring as much information as possible with you to avoid further delay.
- Business Cards
- If you plan on doing business in the Czech Republic then invest in some business cards.
- Business Meetings
- Appointments are mandatory and should be made in advance. Punctuality for meetings is taken seriously. The first meeting may be with a gatekeeper rather than the actual decision maker. Maintain direct eye contact while speaking.

How to deal with mistrust

- The best way to deal with the Czech reserved nature is to demonstrate a professional approach. Always deliver what you promised. Be punctual and make your appointments in advance. Prepare all the information prior to the meeting, so that during the meeting you can go into the details.
- Expect to engage in small talk
- Czechs like to get to know potential business partners. They see hospitality as a way to build business relationships.
- Respect personal space
- Czech culture is very formal. Close personal contact is considered rude in the business environment
- Expect indirect communication
- Politeness is a large part of Czech culture. Czechs will often avoid saying "no" in a business meeting. "We will see" or "it is difficult" will be used in place of the refusal and therefore have negative connotations.

THANK YOU

Aleksandra Jaskólska