

**UNIT 13** Cultures**Reading**

Now read the article, which describes German business culture and behaviour.

# Formality is good form

**FT Correspondent**

In Germany, regional differences influence dialects, culture, and business practices. Nevertheless, there are rules to follow, whether you are in Berlin, Frankfurt, Hamburg or Munich.

Communication is relatively formal. When Germans meet on a business occasion they shake hands firmly at the beginning and at the end of the meeting. They answer the telephone by giving their surname, rather than saying 'hello'. Time and punctuality are also important and lateness may be interpreted as unreliability. If you are behind schedule, inform your negotiating partner and offer to re-arrange the meeting.

In correspondence, you should address people by their full title. There was a time when Germans expected to be addressed as 'Mr' or 'Mrs'. However, American habits are creeping in, and English is becoming more common in business. On those occasions, first names will be used.

In Germany, people guard their privacy, so do not telephone

an executive at home without permission.

The new generation of business people in start-ups is less formal: workers in new high-technology companies are usually relaxed and adopt first names even in German. They also regard their professional life and achievements as more important than their privacy. That means you can telephone them at home.

As well as being formal, negotiations are direct. German managers speak their mind. They place great weight on the clarity of the subject matter and get to the point quickly. Excessive enthusiasm or extravagant compliments are rare in German business. You should give a thorough and detailed presentation, with an emphasis on objective information, such as your company's history, rather than on fancy visuals or marketing gimmicks.

Prepare thoroughly before the negotiation and be sure to make your position clear during the opening stage of the talks, as well as during their exploratory phases. Avoid interrupting, unless you

have an urgent question about the presentation. German negotiators tend not to like too much bargaining. Your initial offer should be realistic and you should be able to produce comparative prices or other evidence to justify it. Allow enough room for your profit margins, unexpected developments and concessions.

In Germany, business people tend to discuss a project internally with colleagues and supervisors before reaching an important decision. But once your negotiating partner has taken the decision to proceed, implementation is usually thorough and reasonably fast. You should pay attention to the contractual agreement that flows from the negotiation. If disagreements crop up in the course of the contract, your partners are likely to look more to the wording of the contract than to their personal relationship with you.

*From the Financial Times*

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**Activity 2: British and German Cultures**

There have been and are many joint ventures and mergers between British and Germany companies. Some are very successful, some are less successful, e.g. Rover and BMW. In many mergers, cultural differences can be a major cause of misunderstandings.

Look at the statements below, made by British or German colleagues in a joint venture. Decide (a) which nationality made each statement and (b) why you think they made that comment.

- 1 Their office doors are always closed. I feel they don't want to communicate.
- 2 They never want to get together for a chat and a drink after work; they just want to go straight home.
- 3 They seem so unprepared for meetings; they come with just blank paper, sometimes not even that.
- 4 Their presentations are often very dull, with lots of facts and figures on their slides that are difficult to read.
- 5 I wish they would state their opinions more clearly and unambiguously. I sometimes don't know whether they are saying yes or no.
- 6 People change responsibilities so often, I never know who I will deal with next. I feel very uncomfortable with that.
- 7 Whenever I make a joke or a humorous remark in a meeting they don't seem to like it.
- 8 At meetings I often find that a decision has already been taken, and that the meeting is just to inform us about it. I prefer to reach a decision by discussion and group consensus during a meeting.