

One needs only to type “cross cultural mistakes” into a search engine to be inundated with example after example of grievous marketing blunders made because of poor language translation or cultural misunderstanding. Consider these recent examples; an Italian ad that translated Schweppes Tonic Water into “Schweppes Toilet Water”, a Chinese ad that translated the Kentucky Fried Chicken slogan, “finger-lickin’ good”, into “Eat your fingers off”, or the Coors Brewing Company slogan, “Turn it loose”, understood in a Spanish ad campaign as “Suffer from Diarrhea.”



A Few Key Concepts When Doing Business with German Companies by Laurence Claus

These are a few of the many cross cultural blunders companies and individuals make every year. Although these examples are humorous and may cause us to break into a smile, the companies that made them were surely not laughing. In fact, when rolling out a new product or beginning a corporate partnership, making the wrong first impression can have a dramatic negative and long-lasting impact. This underscores the reasons why it is critical for all companies seeking to do business outside their own borders to thoroughly prepare and understand the culture of the country they seek to expand their business into.

I have been doing business with German fastener companies for thirty years. Although many aspects of business are pretty universal, every culture is different and unique. For those seeking corporate expansion or partnerships it is imperative for a successful enterprise to seek to understand these new markets or partners. This article will explore a couple of key concepts in understanding business in Germany.

The Importance of Order

One of the defining characteristics of German businesses is that everything is highly ordered. Although many cultures and businesses can probably argue having lots of structure and rules, German businesses, perhaps like no other country, are foundationally based on methodical and systematic sets of procedures and rules. Even more remarkable for many observers is that the German people are wired to and actually follow the rules. During my first visits to Germany I was pleasantly surprised to see how seriously my German colleagues approached driving after having a couple

of drinks. Every time we went out for dinner after work, a plan was clearly developed regarding a designated driver. It was clear that my German colleagues universally, to an individual, accepted and respected the laws regarding driving after having even a single glass of beer or wine.

Every method has a procedure or “Norm”. Larger companies have such well-developed systems and practices that they are adopted by many other companies. Take for example Bosch Automotive. Their engineering and quality standards are used as a model by many other companies worldwide. Even small companies may possess their own set of internal processing standards.

This love of order can be both advantageous and detrimental. Since German business systems are very well developed and followed, much of the chaos experienced in lesser developed systems is not there. As a result German work output (whether a product such as fasteners or a service) is usually achieved in an extremely efficient manner and with the highest levels of quality. These same systems, however, when viewed by the non-German can be overly complex and difficult to understand. Likewise, when challenges present themselves, and action outside of the “Norms” is required, it is often difficult for Germans to respond nimbly or with out-of-the-box thinking.

For companies either seeking to or currently working with German partners it is important to understand this distinguishing cultural characteristic and plan for it. Be certain that you have a well thought out and developed plan of action and make sure it is formatted in a manner that is complimentary to your partner’s internal standards. It is a common

American trait to “fly by the seat of your pants”, meaning that Americans assess challenges and develop plans to address them as they come. Although this works well in America, this is likely not the best approach when working with a German partner.

Time Management

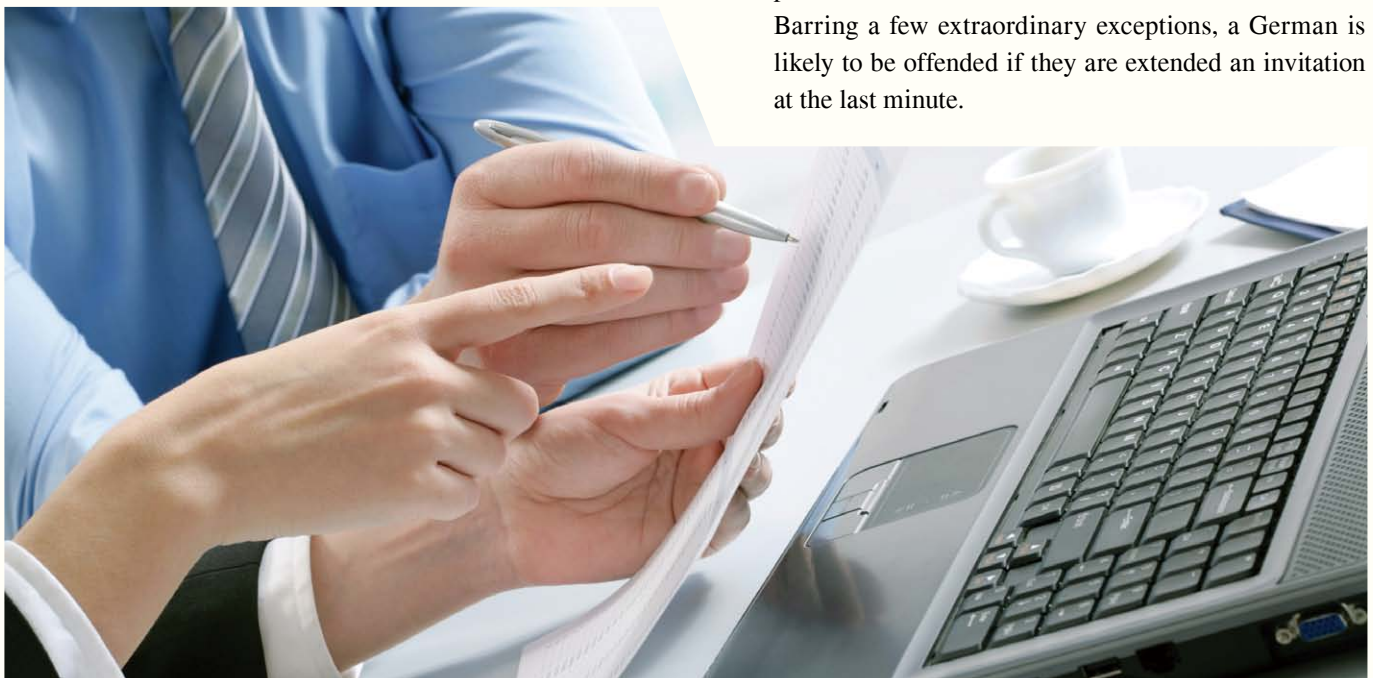
Perhaps one of the most difficult areas to adapt to when working with cross cultural partners is differing understandings on time management. The behaviors that are ingrained in individuals in their home culture may be very different than the behaviors in a foreign culture. Many cultures view time management quite loosely and are, therefore, prone to doing multiple activities at once, easily and frequently changing priorities, and setting deadlines in an aspirational manner of approximate or suggested finish times. The converse is cultures that are quite rigid about time and breakdown tasks into smaller, manageable segments, move things along sequentially, and set and regularly meet well-defined deadlines.

Germans generally fall into this second category of time management. They view time as having “value” and, thus, not something that should be wasted. Time should be planned and one’s commitment of time carefully observed. Therefore, Germans are generally punctual, plan out events and meetings well into the future, and in a business setting rarely engage in a lot of indirect “small talk”.

Several important considerations related to time when working with German partners are:

- ◆ Germans have a strong need to bring plans to conclusion once a task is undertaken.

- ◆ German plans often are developed around long-term time frames. This is a strength, especially when considering plans that truly will take a long time to develop, however, can also be a frustration for partners that are looking to achieve short term results.
- ◆ Germans work sequentially. This means that they are fully committed to concentrating on one task before moving onto the next one. This often results in Germans being perceived as non-spontaneous, inflexible to deviate from planned actions, and unable to multi-task. This approach, when well implemented, keeps focus and often moves a project along more quickly than one being poorly implemented with a parallel task approach.
- ◆ Germans value partners that are reliable and trustworthy in fulfilling time commitments and adhering to plans. Failure to do this may be seen as disrespect or lack of interest.
- ◆ Germans generally do not care for unplanned visits or individuals that just “pop in” to the office for a quick discussion.
- ◆ In Germany, very important events are planned well in advance and invitations will be extended months prior to the event. One of the German companies I work with has a meeting with its global partners every two years. The meeting date and time are chosen at least two years in advance and they begin sending out invitations about a year prior to the event. In the same fashion, any significant events or meetings that you wish your German partners to attend should be preceded with an invitation several months in advance. Barring a few extraordinary exceptions, a German is likely to be offended if they are extended an invitation at the last minute.



- ◆ Punctuality is anticipated from all parties attending a meeting. Parties should be notified immediately if one of the other parties is experiencing a delay.
- ◆ Working hours tend to be from 8:00 or 9:00 a.m. to 5:00 or 6:00 p.m. with a 1 hour lunch break, normally, between 12:00 and 1:00. Normally Germans work very efficiently and diligently during these hours. However, when work is over, it is over and they usually set clear boundaries between non-work and work time. Likewise, holidays and weekends are closely protected. It is not uncommon for German employees to not stay in the office during non-work hours, weekends, or holidays even if there is a very important issue between parties that needs addressing. This often results in frustrations between American and German partnerships where the American partners are accustomed to “burning the midnight oil” to solve unexpected and important issues.

Communication

Every culture seems to have their own stereotypes. These tend to emerge from the view provided during public interaction. In the case of Germans, the business stereotypes are often that of cold, unfeeling, slightly arrogant and even boring individuals. Unfortunately, holding onto these stereotypes would be shallow and, most likely, wrong. They prevail, however, because the public, business experience is perhaps geared towards leaving this impression. What are some of the primary reasons in the German method of communication that lead non-Germans to perceive them this way?

- ◆ Time is valuable and should not be wasted in a business setting with a significant amount of small talk and personal information. Naturally, any discussion is better started with some polite interchange, but Germans will quickly steer the conversation right into the business at hand. In the same way that such information is sparingly shared at the beginning of a discussion, it should not creep into the middle or end of a discussion either. Such a digression would be seen as an unnecessary and undesirable distraction.
- ◆ With Germans, present your case as objectively as possible. Use facts, figures, and logic. Try to avoid an abundance of humor and subjectivity. Although not completely inappropriate

they simply will not be as effective and efficient a method of communication as a more serious and logical approach.

- ◆ Be prepared. Prior to any important meetings assemble all of the facts and information available and be able to offer and discuss them if necessary.
- ◆ In the first meeting at the German partner company, one can expect to be very graciously welcomed and hosted. However, even if the meeting went exceptionally well, one should not anticipate an invitation or the acceptance of an invitation to meet after work for more “informal” discussion, or for your partners to begin divulging many details about their personal lives. This does not mean that relationships beyond the business level are impossible, only that they likely will take some time to develop. In fact, several of my deepest and best professional relationships are with German business partners. These relationships, however, developed over many years.
- ◆ In most cases there is no need to feel an obligation to spend entire evenings or plan extravagant entertainment for German partners. Surely this may be appreciated by some but it is unlikely to have a great deal of impact on the actual decision making process.

In today’s global marketplace, cross-cultural experiences are inevitable. It is likely that there will always be embarrassing mistakes that get made in the process of growing relationships and building partnerships. Taking time to understand how other’s culture factor into the way they do business and interact with foreign partners is an important first step in forging a good business relationship. In today’s fastener industry, the Germans are in a very select crowd when it comes to developing new fastening technology and providing sophisticated and high-quality “engineered specials”. To build a relationship with these industry leaders will require more understanding about their culture and the way they conduct business than this article addresses. However, understanding these basic ideas is a good starting place and may lead to a strong, long-lasting relationship with a German partner. ■

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