

CULTURAL DIFFERENCES IN INTERNATIONAL BUSINESS

Культурные различия при ведении международного бизнеса

As everybody knows, the specifics of doing business and cross-national communications are directly related to the culture of the country. This is due to the fact that every country possesses its own unique cultural framework, and recognizing these distinctions is essential for successful negotiation with individuals from diverse national backgrounds. It's because stereotypes and ignorance about various traditions and mannerisms can lead to disruption and the inability of some employees to work effectively as a team or to handle business dealings with potential customers in other countries.

The purpose of my article is to introduce to the main intercultural differences in order to avoid situations of confusion during negotiations in an international business.

Let's start with the components of being communicating successfully, the first very important one is *cultural context*. There are two types of cultural context: low and high [1]. Low-context cultures usually communicate directly and concisely. They emphasize the task at hand, provide essential details, and omit superfluous information compared to high-context cultures. High-context cultures demand extensive communication beyond just facts, involving substantial background information. Politeness and pleasantries are common and anticipated in high-context communication. This distinction arises from various factors like societal structures and cultural priorities regarding relationships versus task objectives.

Which countries fall into each of these two categories? Typically, Western nations such as England, Germany, the USA, Switzerland and Canada favor low-context interaction. Conversely, high-context countries include China, Japan, Latin American nations, numerous Arab states and France [2].

At the same time, such aspects as *different meanings of cues* and *the importance of relationships* are also derived from contextual comprehension. For instance, Western and Eastern cues carry markedly disparate connotations within business settings. In Western cultures, the term «yes» typically denotes agreement, whereas in Eastern and high-context cultures, it frequently indicates comprehension rather than necessary concurrence. A handshake in certain cultures holds the same binding force as an American contract. During negotiations with an Eastern business partner, a momentary pause might signal dissatisfaction with the proposed terms. Although direct candor is valued in Western cultures, Eastern cultures often emphasize preserving dignity and circumventing impolite replies.

Now, turning to the importance of relationships, as a fact, while Western cultures proclaim to value relationship-based marketing and business practices, in high-context

cultures a relationship involves longtime family ties or direct referrals from close friends. So, by entering into negotiations with high-context countries you can expect promising, long-term business relations [3].

As for *emotions*, it is another significant difference affecting intercultural business communications. Cultures are generally classified as either affective or neutral. Affective cultures freely express feelings without reservation, while neutral cultures restrain emotional displays, considering overt expressions inappropriate. Neutral cultures value objectivity and might respond differently than affective ones anticipate. Neutral countries encompass Japan, the UK, and Indonesia, whereas affective cultures include Italy, France, the US, and Singapore. Recognizing these differences helps avoid misinterpreting affective behaviors as weakness or neutral responses as unfriendliness.

Above-mentioned aspect is also related to the *personal space expectations*. In many European and South American countries, it's common to greet someone by kissing them on both cheeks, rather than shaking hands. Americans usually prefer to keep some distance between themselves and others during business interactions. However, in other cultures, people often stand very close to each other without feeling uncomfortable. For instance, also, it's normal for women colleagues in Russia to walk hand-in-hand, but this might mean something different in another culture where it could suggest a closer or romantic relationship [3].

And finally, culturally diverse approaches to *time management* also impact business practices. Sequential and synchronic cultures perceive time distinctively. Sequential cultures treat time rigidly, valuing punctuality and viewing appointments as firm commitments. For synchronic societies, time is malleable, secondary to daily activities. Last-minute cancellations, unacceptable in sequential cultures, are more tolerated in synchronic ones.

In summary, comprehending cultural diversity in business is crucial for effective interaction with individuals from distinct cultural backgrounds and mitigating potential challenges. For instance, when anticipating negotiations with international counterparts, it is advisable to conduct prior research on how their business practices diverge from one's own.

References

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