

Cross-Cultural Aspects

12 Golden Rules

Intercultural tips for Germans who deal with U.S.-American business people

Germans, renowned as international globetrotters, are presumably fascinated by different people and the call of far away places. Which country is the most challenging for the German tourist? The answer of course will vary from person to person and reflect the purpose of one's holiday.

As tourists it is not too difficult to succeed in a foreign environment. Getting entangled in culture-based conflicts with the locals – conflicts arising from differing values, perspectives or proven experience – is not likely. And if conflicts do arise? So what? It may be impolite to leave a few offended locals behind, but will it really influence one's life?

The role of a businessperson, however, is very different to that of a holiday-maker! When transferring to a foreign country or participating in a multi-cultural team the situation is much less accommodating.

In a business setting the purpose of mingling with 'foreigners' is not to 'soak up the local atmosphere' but rather to accomplish a specific task. Offending others or failing to recognize and appreciate pervasive differences in values, perspectives and approaches can result in escalating conflicts which may indeed influence one's future career.

Vacationing in the States and getting along 'wonderfully' with Americans is not the same as working within a formal, highly competitive, individualistic and success-oriented business environment. The expectations of one's boss, colleagues and subordinates are far more precise than the general expectations on a 'good tourist'. Failing to live up to these expectations entails consequences much graver than those stemming from a miffed waiter or an angered concierge.

Differences between American and German business people are not as obvious as with some Asian cultures, but they are equally as important. Understanding how the other side 'ticks' and expanding one's behavioral repertoire accordingly is critical to achieving one's objectives in the new environment.

Distilling cultural differences into a simple set of 'rules to remember' is without a doubt a questionable endeavor. Nonetheless – at the request of clients – I have compiled a list of 12 Golden Rules to remind German business people of frequent intercultural pitfalls worthy of attention.

► Communicate positively and aspire to high goals

One clear strength of the German business culture is the desire to make good things even better. Quality is held in high esteem. Identifying flaws, criticizing weaknesses and analyzing problems are considered necessary steps along the path to improvement. Realism and understatement demonstrate seriousness and one's profession and business dealings are earnest matters.

To Americans, the strong focus on problems and potential risks often sounds negative and defeatist. It's not that Americans don't see the risks and the problems, but rather they have learned to focus on opportunities and possibilities for success. Life is risky and always has been – remember pioneer life on the wild frontier? In a society in which individuals – not the company, not the government – are primarily responsible for looking after themselves, self-motivation and the 'I can make it' attitude are critical to securing a decent standard of living. People who are willing and able to contribute to my personal success are the kind I want around.

If you wish to be perceived as someone who is likely to contribute to the solution rather than the problem, communicate with optimistic, goal oriented, up-beat messaging.

► Invest time in 'small talk'

In Germany it is considered respectful and appropriate to 'get down to business' straight away; this is why you are there. Starting off with conversation that jumps from schooling, to family and hobbies, prior jobs, vacation, etc. is considered irrelevant and far too familiar.

Such topics are reserved for friends and relatives, not new business associates. If business dealings develop nicely over time perhaps a personal relationship will evolve. Only then is it appropriate to broach such personal matters.

In the States, most business dealings requiring a relationship (as opposed to commodity transactions) begin with an assessment of the person representing the potential business partner. Establishing a positive personal relationship at the start is normally a prerequisite for developing a good business relationship. Assessing the person's level of interest, skills, influence, commitment, track record, etc. is best done indirectly. Collecting bits of information from a broad variety of topics yields valuable indicators from which a mosaic can be built. The same approach holds true for assessing new colleagues.

To develop personal relationships with Americans, invest time in small talk and be willing to provide the kind of (positive, up-beat) information about yourself that they offer to you about themselves. In business situations beware: 'small talk' is 'big talk' – provide your counterpart with the information he needs to draw the conclusions about you that best serve your objectives.

► Praise colleagues and subordinates for normal accomplishments

German employees pride themselves at being well-trained, highly skilled team members who get paid to perform a professional job. Most employees are accustomed to receiving praise only for accomplishments that exceed normal expectations. Praise for normal performance can

even backfire since it implies that the performance wasn't anticipated and thus is considered unusual! In short: German bosses tend to praise in that they don't criticize.

American employees expect praise for normal accomplishments and additional recognition for unusual or exceptional achievements. If praise is not forthcoming, then it is likely to be taken as a sign of criticism. In short: American bosses criticize in that they don't praise.

[Praise American subordinates and colleagues for normal accomplishments as well as exceptional achievements.](#)

► **Be indirect with criticism**

Most Germans expect their boss to be more highly skilled than they are and wish to have their shortcomings clearly addressed in the interest of skill improvement. Taking one's colleagues seriously implies being forthright and honest.

This includes the obligation to communicate one's assessment in unambiguous terms – even if it hurts! Germans tend to separate the person from the sub-

ject matter and view criticism as issue-related and not personally offending. Also, they enjoy a relatively high sense of job security and a well-developed social safety net so that direct criticism is not deemed overly threatening.

American bosses tend to criticize in that they withhold praise or formulate helpful suggestions for further improvement. Direct criticism of a subject matter usually implies strong criticism of the person involved and is de-motivating.

In general, direct criticism is perceived to be significantly more threatening within the context of the U.S. business environment not just due to 'hire and fire' practices but also as a result of the relatively scant social safety net and the greater importance of the individual's financial capacity in securing a decent standard of living.

[Formulate criticism as helpful suggestions for further improvement.](#)

► **Be pragmatic**

Germans take pride in being thorough and complete. They prefer to analyze a sit-

uation in detail, examine it from a variety of relevant perspectives and consider all possible solutions prior to making a final recommendation. Doing a professional job requires investing the necessary time and energy into identifying the best possible solution.

Americans acknowledge that challenges (i.e. problems) exist, but find it more interesting and important to focus on solutions. They also have a strong bias for getting results quickly – time to market is often the critical factor.

Doing the best one can with the resources at hand is preferred to theoretical solutions. This may not produce the best solution possible, but if it gets the job done, it'll do!

[Unless you have a clear mandate to find the best solution possible, focus on solving the immediate issue at hand with the resources available.](#)

► **If it's important, do it quickly (not thoroughly)**

If something is important in Germany there is a strong preference to want to get

Ad Wirtschaftsförderung Region Frankfurt 180x126

it 100% right. This involves careful and thorough analysis, input from all parties affected, and where possible thorough discussion of the alternatives in an effort to reach a consensus. Naturally such a process takes time – but because the subject is important, it deserves to be treated in a thorough manner.

For Americans, if something is considered important it is by definition almost always urgent. Urgent matters require quick decisions. If the passage of time exposes shortcomings one can always go back and adjust as necessary.

Try to make decisions quickly on matters considered important by your American colleagues. If this is not possible within the German context, then at least keep them informed at frequent intervals.

► **Treat your American boss like a five-star general**

At most large German companies there is a strong preference to seek consensus among members of the management group on all key decisions. This is in accordance with German corporate law, which holds the members of the management board (*Vorstand*) collectively responsible.

The chairperson's role (the 'weak king') is to coordinate his team of experts (the 'strong dukes'). Consensus is sought when there are differences of opinion. A good manager should be able to persuade colleagues through logical argumentation.

The U.S. CEO (the 'five-star general') is in charge. He gets paid for skillfully deploying corporate resources in a manner which enables the company to survive and prosper in an unpredictable and swiftly changing hostile environment. He has the right and obligation to select his subordinates and position them as he sees fit. He is interested in the considered recommendations of his lieutenants but it is he who makes the final decision.

As a cultivated person and an experienced veteran his orders are usually put forward as suggestions. Everyone understands his approach and knows full well the consequences of insubordination.

In a fiercely competitive environment the CEO must be able to motivate each and every one of his mercenaries to maximum performance. If he is not capable of leading his ranks to victory on the corporate battlefield then he must go.

Remember: 'the boss is the boss.' If you are the boss, act like a (benign) five star general.

► **Presentation time is 'Show Time'**

Although German presentations have changed a lot in recent years, there is still a general tendency for Germans when presenting to focus on the problem at hand, elaborating on how it arose, what alternative solutions might exist and which of these is to be recommended.

The seriousness of the content dictates the presentation style. Jokes tend to undermine earnestness. Details are important. Questions suggest that the presenter may have omitted something which should have been addressed.

American presentations tend to focus on the chances and possibilities at hand. The presenter should convey that he is totally convinced that his solution is the right one. Facts, figures and personal experience rather than a tightly woven logical framework are used to validate recommendations.

The presenter must capture the attention of the audience – the show must be catchy and inspiring! Questions indicate that the presenter has captured the interest of the audience and enables him to elaborate on points of particular interest. A good joke is always appropriate. Establishing personal rapport with the audience makes communication easier and more pleasant. Details distract while credibility requires an inspiring vision.

Gear your presentation style to the key decision makers in your audience. If they are Americans focus on the opportunities and communicate a benefit-oriented message. Establish personal rapport with your audience.

► **Pay attention to process as well as substance when negotiating**

Germans appreciate getting down to business directly. They tend to focus on the objective aspects of their own offer. Their initial offer is normally realistic, i.e. quite close to their final possibilities. As a result they have little room to maneuver and are frequently perceived as inflexible. A negotiation is viewed as a solemn business matter. Contracts can be relatively short since many points are implicitly covered by existing code law.

Americans need to engage in small talk prior to getting down to business to

12 Golden Rules

Intercultural tips for Germans who interact with U.S. business people

1. **Communicate positively and aspire to high goals**
 - always use optimistic, goal-oriented, up-beat messaging
2. **Invest time in 'small talk'**
 - establishing a personal relationship is a prerequisite for developing a good working relationship
 - remember: in business situations 'small talk' = 'big talk'
3. **Praise colleagues and subordinates for normal accomplishments**
 - praising only the exceptional is too little and thus de-motivating
4. **Be indirect with criticism**
 - direct criticism of the subject matter usually implies criticism of the person involved
5. **Be pragmatic – focus on solutions not on problems**
 - 'brainstorming' is usually preferred to detailed analysis
 - solve the issue at hand rather than design 'the grand scheme'
6. **If it's important, do it quickly (not thoroughly)**
 - you can always go back and adjust as necessary
7. **Treat your American boss like a five star general**
 - remember: 'the boss is the boss'
 - if you are the boss, act like a (benign) five star general
8. **Presentation time is 'Show Time'**
 - communicate a benefit-oriented message
 - reach out to all of the people and all parts of the people (intellect, emotions, common sense), all of the time!
9. **Pay attention to process as well as substance when negotiating**
 - using a good negotiation system will improve results while building relationships at the same time
10. **When you want something done, communicate 'what's in it for them' or get it included in their performance review**
 - their prime responsibility is to contribute to the success of their boss
 - their priorities will reflect their own performance goals
11. **Always 'sell yourself'**
 - success breeds success: your professional & personal accomplishments (track record) are of greater interest than prior experience and diplomas
12. **Be friendly and keep smiling ...**
 - life is tough enough, why make it any tougher?

establish a degree of personal rapport as well as a relaxed, informal atmosphere conducive to exploring for strengths, weaknesses, alternatives, etc. The initial offer reflects the maximum advantages to oneself that can be credibly put forward. Game theory, strategy and tactics are legitimate tools to employ.

Solid preparation, including role-playing the other side, is standard procedure. Lawyers are important since only that which is contained in the final written contract – letter by letter – is legally binding. Almost all MBAs and lawyers have taken courses on negotiation during their university studies.

Be clear about who has how much power at the negotiating table and what alternatives both sides are likely to have.

► **When you want something done, communicate 'what's in it for them' or get it included in their performance objectives**

In all that he does, the good German employee – be he doorman, technical expert or department head – is expected to be guided by that which is in the best interest of the company. Team members are expected to cooperate rather than to compete with each other.

In all that he does the good American employee strives to be the best doorman, the best technical expert or the best department head in the world. The better each individual performs, the better it is for the company. Competition extracts the best performance from each person. Cooperation occurs when individuals are mutually dependent upon one another to achieve their individual goals. Team members are accustomed to competing and cooperating with one another at the same time.

It is the job of the boss to ensure that competition enhances performance and does not become destructive. The criteria by which performance will be measured is set down in the employees' objectives and reviewed at least annually.

If you want something from an American colleague who is not your immediate subordinate let him know what benefit he will have from doing it. Alternatively, get it included in his objectives. Appeals to solidarity normally won't get you very far. Remember, the primary responsibility of your American colleague is to contribute to the success of his boss!

► **Always 'sell yourself'**

Germans are generally well-trained and highly skilled employees. They have invested significant amounts of time and energy in pursuing their chosen vocation and derive a great deal of personal pride and satisfaction from applying their skills.

Employees tend to identify strongly with their profession and their company. Solidarity with one's colleagues is self-understood. Success results from the collective effort of skilled professionals. Understatement and the ability to be self-critical are considered laudable traits.

Skill and training levels in the States vary greatly. What matters is success. To achieve success one needs to surround oneself with self-confident, competitive, ambitious, high performers who can contribute meaningfully to reaching one's stretch-targets.

The best indication of future success is the past track record. What personal and professional successes has the colleague or candidate achieved in the past? Has he had failures, and if so, what has he learned from them? Every company has weak and strong individuals. I need the best to progress along my targeted career path.

Talk about your professional and personal accomplishments (track record).

► **Be friendly and keep smiling ...**

The German soul is said to be deep, dark and torn. The ravages of history have apparently left their marks on the German psyche. Outsiders are viewed with suspicion and held at a distance. In a crowded country, personal space and privacy are at a premium and deserve to be protected.

By and large the settlers and pioneers who ventured off to the 'New World' left a troubled existence behind in exchange for the chance to build a new and better life. They found themselves alone in an expansive and frequently hostile environment. Newcomers were welcome and given assistance in getting started. Thereafter, they were on their own.

Optimism was necessary in the interest of self-survival in this land of risk, hardship, beauty and opportunity. The pessimists stayed back home across the ocean or quickly succumbed to the ardors of a rugged lifestyle.

With 'courage, hard work and the grace of God' it was possible for all to build a new and better life. To this day the

United States of America remains the most religious country among developed nations.

For Americans the glass is always 'half full' and never 'half empty.' Life is tough enough, why make it any tougher?

Culture seldom prescribes only one way of doing things. Rather, it sets 'boundaries' within which individuals may exhibit a range of behaviors without incurring group sanctions. In the words of Nancy Adler, an American sociologist, 'culture is what most of the people do most of the time and not what all of the people do all of the time.' In any specific situation it thus remains necessary to take a close look at exactly where your American colleague has positioned himself as an individual within the overall range of acceptable behaviors permitted within his culture.

The question often arises: Who must adjust to whom when people from different cultures interact? As a German working with Americans, the objective need not be to try to beat the Americans at their own game. Rather, a worthwhile goal might be to better understand the expectations and behaviors of your American colleagues and to adjust your behavior accordingly so as to better achieve your own professional and personal objectives.

Do remember to keep smiling – life is tough enough!



Contact:

*Thomas T. Krauss,
Krauss Consulting, Kronberg
T +49 (61 73) 32 08 38
F +49 (61 73) 32 15 83
E t.t.krauss@t-online.de*

Thomas Krauss has spent over 20 years actively involved in the German market as a senior manager for a number of American and European companies. He currently advises German and American companies on intercultural business issues and provides training and coaching designed to improve cross-cultural business performance and personal satisfaction.