



Introduction to Doing Business in Germany „Cultural Differences“

The following assumptions are frequently held by American business people:

„Culture differences? – I don't think that's an issue at all. Many European business people speak English. Moreover, business people everywhere share a common language: Money, time, results. Our products are great, our pricing is competitive. I just know that doing business in Germany will be a success, right?“

If you share these assumptions, here is a word of caution: Don't underestimate the cultural differences between Americans and Germans. More than once has the lack of appreciation of how those differences affect business behavior ruined the best efforts of American companies in Germany.

I. Cultural Differences Matter

When doing business at home in the US, you are familiar with the „rules of the game“. Based on your own broad experience of interacting with many people in a wide range of social settings, you can normally „read“ situations quickly, and know how to deal with the expectations of your clients or partners. However, as an American doing business in Germany, you will initially have to operate on a very narrow experience base, without being familiar with the unspoken rules for social behavior in Germany.

Beware of the *Trap of Similarity* – that is to believe that Europeans think, communicate or behave in the same way as Americans do, particularly when they speak excellent English. Finding real common ground means that you first need to understand and respect the cultural differences between Americans and Germans.

II. Mutual Perceptions

Ask yourself:

1. What do you know about Germany and Germans?
Which images come up in your mind? What are your information sources?
How do you believe Germans expect to be treated in the work environment?

2. What do you believe Germans think about Americans?
Which images do you believe come up in their minds?
What are their information sources?

Maybe you felt a little uneasy thinking about how Germans might perceive Americans. Or you noticed that you tried to close information-gaps about Germany by using images from films or stories you heard from friends. It is important to be aware of your pre-conceived notions of „Germans“ and „Americans“. Such notions are present, and they play an influential role in business communication. Intercultural learning will help you to see behind simplistic stereotypes, and can guide you towards a richer understanding of your own and the German culture.

To illustrate: Some Germans, for example, hold notions that Americans are „fluffy“ or „superficial“. This is a culturally skewed interpretation of an American „personable“ and relaxed style. Other Germans may like this informal style, and expect it from all Americans as the „typical American“ communication style. Some Americans may see Germans as „stiff“ or „cold“. This is a culturally skewed American interpretation of a more reserved and formal communication style which can be found in some German industries. Other Americans may have come to like this task-focused style, thinking of it as a part of „German efficiency“.

This is not to say that any of these rather one-sided overgeneralizations about „Americans“ and „Germans“ are particularly appropriate. But their existence points to the fact that German and American communication and business styles differ significantly – and that we all start out using our own culturally shaped assumptions as reference for interpreting the world around us. Sadly, the results of this approach are frequently not very satisfactory. If you want to succeed in business interactions in Germany, begin to explore your own cultural perspective as an American, as well as the cultural patterns which are at the heart of the German culture. This will allow you to understand the intercultural dynamics when doing business in Germany – be it in meetings, presentations, negotiations or when building informal networks. It is well worth it to take a closer look at your own approach to German culture, and to learn something about American-German cultural differences in mindsets, communication, problem solving and decision-making styles.

III. Mastering Cultural Challenges

To master the cultural challenges ahead, it is a good idea to integrate the cultural factor into every phase of your plans for establishing a business in Germany. Consider taking the following steps:

- a) Read up on Germany, the Germans and German business culture in advance**
- b) Talk to people with experience in American-German business; adjust your time frames and expectations to fit the German business environment**
- c) Use intercultural trainings to prepare yourself for dealing with Germans, or find a cultural coach to guide you through your experiences in Germany.**
- d) Expect cultural glitches. They are normal - and take up additional time.**

- e) Spend time to build informal relationships and (close) friendships**
- f) Keep an open mind, watch how Germans interact with one another in different settings, ask questions about cultural topics, keep checking your own assumptions.**

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