

# IRIS Baltic Sea Region



# COUNTRY'S FACTS & UNWRITTEN RULES



# DO'S AND DON'TS WHEN DOING BUSINESS IN THE BALTIC SEA REGION

Doing business with partners abroad? Be prepared for cultural peculiarities – don't waste time on small talk during meetings in Scandinavian countries and Germany, seek win-win negotiations in Finland, and avoid discussions on politics and history in Lithuania or Poland. These are only some of the recommendations on doing business in the Baltic Sea region, collected by the IRIS project after interviewing representatives from local business organizations in 10 countries.

## BUSINESS COMMUNICATION: HOW FAR CAN YOU GO

The [IRIS project](#) survey respondents unanimously agreed that sincerity, polite tone, and being straight-to-the-point are the most valued qualities in business communication. In the Scandinavian countries, people tend to speak accurately and clearly during meetings, but they are familiar with humor, which they understand and accept as a positive aspect. However, small talk and personal questions won't be taken easily – time is precious and you should be straight to the point both in Northern Europe and Germany. Going to Lithuania, Poland, Latvia, or Kaliningrad district? Feel more relaxed – a short chit chat on hobbies, sports or family is encouraged.

If you are having a meeting with business partners in Scandinavian countries or Estonia, mind the personal space, try not to interrupt, and avoid speaking loudly. Showing off emotions is not well tolerated in Germany too, whereas Belarussians tend to avoid conflicts and heated discussions.

Etiquette is no less important – in Latvia and Poland, you can be late for a meeting by up to 15 minutes, but in Denmark and Germany, it would be a significant disadvantage for you – if you are late, potential partners can interpret it as disrespect.

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## CRITICISM

Giving and receiving feedback is one of the trickiest things in human communication so there is no surprise criticism can be a slippery slope in international business meetings. For example, Estonians do not like to be criticized in the business environment, but Germans or Finns take critical feedback favorably especially if it is facts-supported. For them, it is a sign of sincerity not taken personally.

However, criticism can also have a broader meaning. In business meetings, you need to pay attention to the connection you have with the local environment. Suppose you feel comfortable with representatives from another country and have communicated with them in the past. In this case, you may feel more relaxed, but keep in mind that criticizing business decisions and cultural aspects can have a binary outcome that determines the success of your meeting.

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## NEGOTIATING TACTICS

Soft vs. aggressive negotiating is yet another business communication hook you should be aware of. Germans are hard and competitive bargainers, however, you should not apply too much pressure or be impatient. Finns are soft at bargaining – compromise and win-win decisions are important, same as in

Sweden. If your partners don't show emotions, that does not mean the deal is off - they just need more time to think it through.

Latvians, Lithuanians, and Poles prefer agreements on paper. As in the neighbouring Kaliningrad district, you should be very detailed and precise about your offer, but avoid hard pressure tactics.

### IS EVERYONE EQUAL?

Decision-making and who is in charge is one of the critical aspects of the meeting, determining the further course of cooperation. However, the principles of hierarchy in other countries might be far from acceptable if we compare them to the ones we use in our home country.

The Danes value a liberal approach, so you can meet both company leaders and lower-level employees during meetings. In Denmark, you have to talk and consult with everyone at the conference and not ignore anyone's opinion. The same applies to Sweden, where subordinates are often entitled to make final decisions.

In Poland, however, this approach is wholly unacceptable and can even be seen as an insult to company executives. Poles are accustomed to talking to company executives when it is about decision-making and potential cooperation. Therefore, your meeting must be hierarchically equal - managers meet with managers.

Hierarchical principles may also emerge in Belarus, Lithuania, Latvia, and Germany, meaning that companies would be expected to have representatives of the same or similar positions in the meeting and authorities should not be challenged openly.

### MIND THE RED FLAGS!

Politics and other international relations are hot topics that have earned red flag status. An imprudent remark can literally break the business negotiations. In the Baltics and Poland, history with neighboring countries is a sensitive topic, better to be avoided unless you know the history well. In Russia, political issues should not be widely discussed as well. Moreover, Russians especially like humor and enjoy laughing at themselves, but you shouldn't forget that this is not tolerated from foreigners unless you have a long established friendly relationship.

Risky zones exist in the old European democracies, too. Germans tend to be discreet about political topics, however, business meetings might include discussions about arts, culture, and events. Although Swedes might look very liberal, non-hierarchical, and open, criticizing society is definitely a red flag - they are honestly proud of it. Going to bring an interpreter to a business meeting in Denmark? This might be looked down upon - you are expected to speak English.

This overview has been conducted as part of the IRIS project, funded by the Interreg Baltic Sea Region programme. The project aims to create new tools and share best practices among incubators in the Baltic Sea Region. Learn more about the IRIS support instrument for internationalisation:

<http://www.witeno.de/iris/de/priority-areas/internationalisation-of-smes-business-activities/>

# SUMMARY

The presented documents are the result of a IRIS-workshop and have been produced by IRIS project partners. They differ in tonality and approach and is a reflection of the cultural differences amongst the partners, which we feel enriches this project, thus they have not been edited for uniformity.

**BY** BELARUS

**DE** GERMANY

**DK** DENMARK

**EE** ESTONIA

**FI** FINLAND

**LT** LITHUANIA

**LV** LATVIA

**PL** POLAND

**RU** RUSSIA

**SE** SWEDEN





**BY BELARUS**

**COUNTRY: BELARUS****FACTS:**

Area: 207.595 km<sup>2</sup>

Population: 9.449.923

Government: Unitary presidential republic

Language: Belarusian, Russian

Religion: The most common religion in the republic is Christianity. Christians of Belarus profess:

- Orthodoxy
- Catholicism
- Protestantism

Among other religions, the most common are:

- Judaism
- Islam

Currency: Belarusian Ruble (BYN)

Time difference from CET: +3

Climate: Temperate continental

Capital: Minsk

National Day: July 3rd

**TIME: GMT+3****HOLIDAYS AND VACATION:**

- New Year's Day (January 1)
- Orthodox Christmas (January 7)
- International Women's Day (March 8)
- International Labor Day (May 1)
- Victory Day (May 9)
- Independence Day (July 3)
- October Revolution Day (November 7)
- Catholic Christmas (December 25)

**OFFICE HOURS:**

9-18

## MANNERS AND CUSTOMS:

### COURTESY:

Belarusian people are known for being very polite, peaceful and compromised. No matter what situation may happen. They try to perceive the situations in the way they are, they don't complain and usually try to avoid conflicts.

### DRESS:

Belarusians tend to wear black or grey suits when it comes to negotiations, the official dress code is obligatory at all the official events, presentations, meetings.

### BODY LANGUAGE:

When men meet men for the first time it is required to maintain direct eye contact and have a firm handshake. Light hugs are only permitted for longtime friends and family members. When women greet women in an initial meeting then a simple handshake or a nod will be the custom. If a man meets a woman for the very first time then no touching is supposed to happen. If a man tries to shake the hand of a woman it would be considered odd.

There are no specific rules as to how to distribute and receive business cards.

Belarusian people do not use a typical American smile, they seem to be more serious though greeting and comforting at the same time.

## NEGOTIATION:

### BUSINESS MEETING:

If you say that you'll be somewhere at a certain time then you have to be there at that certain time.

Belarusians usually follow a hierarchical business style to always respect the different levels within an organization. The final decision-maker is usually the highest individual in authority. Though nowadays more and more young leaders try to be more «up-to-date» and more “western” trying to make decisions based on their team's point of view.

Belarusians mostly prefer not to mix their professional and private life, so avoid asking your partners personal questions in business settings.

### NEGOTIATION SKILLS:

Personal relationships are very important – establishing a partnership based on trust is essential for doing business successfully.

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#### INVISIBLE CODES:

In Belarus, decision making can be a slower process than in western societies. Coordination with executives is an integral part of the business. Even minor changes have to concur. Just be patient and, if possible, try to make concessions.

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#### ETHICS:

Older people in Belarus instead of “Mr” and “Mrs”, will introduce themselves using their first name and patronymic (the name from their father) and you should use these when addressing them.

For men, the ending is usually *-ovich/-evich* and for women it's *-yevna/-ovna*.

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#### COMMUNICATION:

Belarusians usually connect their social events with food. If you are invited to dinner, be ready to have a solid meal.

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#### GIFTS:

You need to be careful with gifts, as when you meet a business partner for the first time, precious gifts might be associated with bribery. Small presents will be appreciated, but make sure it's appropriate and not overdone.

### REPRESENTATION:

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#### AT A RESTAURANT:

Since the times of the Grand Duchy of Lithuania, the national culinary traditions have been interlaced with Baltic, Slavic, Jewish and partly German cuisines.

Therefore, Belarusian cuisine is one of the most diverse on the continent. It is similar to the Russian, Lithuanian, Ukrainian, Polish, Jewish, but is unique in its own way, hearty and delicious.

Belarusian cuisine widely uses potatoes, the “second bread”. Historically, potatoes were introduced to Belarus 75-90 years earlier than Russia, and our climate facilitates the growth of many tasty varieties.

Grated potato is very common, and can be cooked in various ways, with methods combined. Belarusian cuisine often uses raw grated potato, shaped and fried. Mashed potato is sometimes combined with flour and baking soda. Traditional *draniki* (potato pancakes) enjoy great popularity, they are usually served with sour cream, fried fat (pork rinds), mushrooms and various sauces.



People also cook *bulbianiki* (potato pies with various fillings) and *bulbianaja babka* (potato pudding). Pig guts can be stuffed with grated potato and fried afterward. Boiled potatoes are eaten unpeeled, as *saloniki* (eaten with salt) while stewed potatoes are called *tušanka* or *smažaniki*.

Cabbage, carrot, peas, beans and radishes are typical of Belarusian cuisine.

Kvass is a popular non-alcoholic drink, coming in several varieties: *biarozavik* is kvass made of birch juice, while *klianovik* uses maple juice, and *miadavucha* is made from honey, with fermented berries and herbs. *Zbicieńi* is a hot drink made of honey and spices.

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#### IN THE HOME:

Belarusians tend to have equal rights in the family. All the household chores in families are evenly divided between family members. Usually, families spend their weekend at home watching movies, cooking altogether, helping each other about the house, playing board games or going on barbecue parties with family friends.

#### OTHER:

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#### COUNTRY AND PEOPLE:

At first sight, Belarusians might seem to be quite cold and reserved. Upon further acquaintance, however, you will see that they are very open, hospitable and communicative.

Beyond this initial reserve you will discover that they are very giving, kind-hearted individuals who try hard to look after their guests. Belarusian culture refers to the feminine type, where standing out from the crowd is not admirable, people understate their personal achievements, contributions and capacities. Modesty, tolerance and respect to each other – these are Belarusian main traits.

As for the surroundings and country, the Belarusian cities are clean and well-kept similar to the ones in Europe. And this is peculiar not only for Minsk, where there are many tourists but also for the smaller cities. The secret here lies not only in the special infrastructure of the cities but in the fact that Belarusians are prone to cleanliness. For instance, in many courtyards of multi-apartment buildings, residents themselves are engaged in landscaping, planting beautiful plants, and establish a watch with cleaning in the entrance, if the janitor does not do his job well enough.

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#### CHALLENGES:

The language barrier can become a big issue during your visit to our country. The amount of English-speaking people is not very big in Belarus. This could be because the Belarusians are rather shy and reserved, being afraid of using the language they are not very confident in, as nowadays the majority of schools teach students a lot.

While you will have few troubles speaking to the people of Minsk, you may encounter some difficulty speaking with the locals of smaller cities of the country unless you speak Russian fluently.

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#### WHAT IS THE WORST THAT CAN HAPPEN:

The crime level in Belarus is very low, so one does not need to worry about becoming a victim of a robber or burglar. The only crux you can come across during your stay in our country is of a bureaucracy origin: all foreign citizens must be registered if they intend to stay longer than 5 days.

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#### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

You are well-prepared and have the knowledge and the facts, are able (or know the people who are) to prove your point. If you can speak Russian/ Belarusian you have a big advantage over those who can't.

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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

If a person is well-educated, professionally competent, peaceful and polite, no problems shall be encountered during his time in Belarus. A Belarusian will not start the conversation by himself in most cases but will be eager to reply and support someone's initiative.

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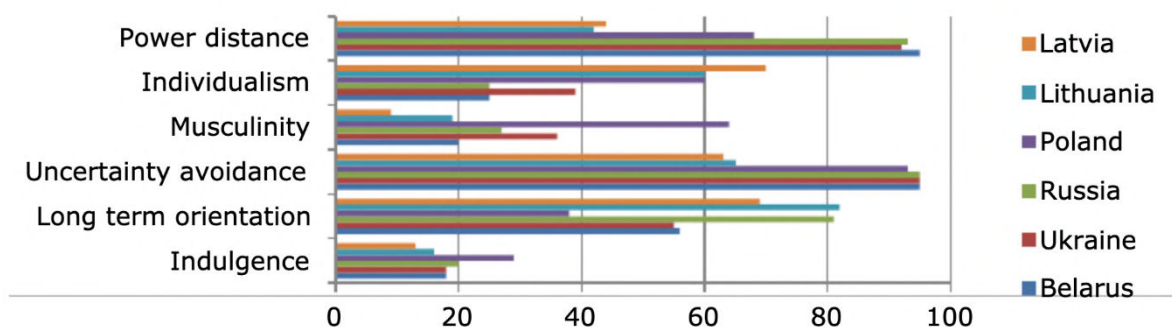
#### WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

Belarusians are usually plodding and hospitable people, so they value the same values in foreign people as the ones that they try to cultivate in their own society.

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#### SITUATION - BEHAVIOUR - RESULT:

- If you have doubts about something you don't know well or have doubts about, you should ask politely and adequate help will be provided.
- If you act friendly and well - mannered, people will act the same towards you.
- Show your knowledge about the country's customs and you will gain a lot of respect.
- If you can speak Belarusian and not just Russian, that will be a huge plus.





DE GERMANY

## COUNTRY: GERMANY

### FACTS:

Area: 357.582 km<sup>2</sup>

Population: 83.019.213

Government: Federal Republic

Language: German

Religion: Evangelical Protestants

Currency: Euro (EUR)

Time difference from CET: +1

Climate: Temperate (in the north mild winters)

Capital: Berlin, pop. 3.644.826

National Day: 3<sup>rd</sup> October

### TIME:

#### HOLIDAYS AND VACATION:

Germany has a relatively generous number of public holidays ( *gesetzliche Feiertage* ). Like Sundays, these days are designated by law as days of rest, meaning that banks and shops are often closed. Public holidays are usually counted separately to paid holiday leave, although you should check your work contract to make sure.

There are nine public holidays that are observed in all 16 federal states in Germany, including New Years' Day, German Unity Day and Christmas Day.

- New Year's Day (January 1)
- Good Friday (March/April)
- Easter Monday (March/April)
- Labour Day (May 1)
- Ascension Day (May 21)
- Whitmonday (May/June)
- German Unification Day (October 3)
- Christmas Day (December 25-26)

In addition to officially-recognized public holidays, there are several unofficial holidays, such as St Nicholas' Day ( *Nikolaus* ) on December 5, Carnival Monday ( *Rosenmontag* ) and Christmas Eve.

Schools in Germany have between five and six holiday periods per year, including Easter, summer and Christmas holidays as well as breaks in the autumn and spring. School holidays in Germany differ according to federal state.



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#### OFFICE HOURS:

The average working week in Germany is between 36 and 40 hours. The majority of full-time jobs in Germany are seven or eight hours a day, five days a week, with an hour or 30 minutes' break at lunchtime.

Most often in the office: 40 hours per week, from 9h to 16h, lunch break from 12h to 13h.

#### MANNERS AND CUSTOMS:

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##### COURTESY:

Germans are great hand-shakers, and they like to do so both when arriving and when departing. It is common for a person who is joining a group to shake hands with every single individual.

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##### DRESS:

Workplace dress is still very often conservative in Germany. But this varies in different cities and industries and changes very much with the younger generation. Start-ups, newsrooms and some environmental firms often use a more casual dress code. Other businesses (e.g. Banks, Administrative Offices) generally stick to a conservative wardrobe – definitely no trainers or tennis shoes. Banking cities like Frankfurt tend to be a bit more conservative than Berlin with its big creative scene.

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##### BODY LANGUAGE:

A short and firm handshake is the most typical greeting (including name own and company name). It's best to shake everyone's hand upon entering and exiting a meeting and not to shake someone's hand with one hand still in your pocket. Also, maintain eye contact. This doesn't mean to have an uncomfortable stare down. It's just considered friendly and honest to look at someone directly rather than off to the side. Nevertheless, a certain distance is often maintained (2 arm lengths).

#### NEGOTIATION:

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##### BUSINESS MEETING:

When meeting a business contact for the first-time exchange business cards.

Although sincere smiles are welcomed, and people tend to be polite and hospitable to one another, physical and emotional expressions may be kept to a minimum upon initial introductions. Eye contact is generally expected during the introduction and conversation.

Germans are known for being direct, frank, and truthful about how they feel; superficial, small talk is rarely welcomed. During a conversation, visitors are often expected to express their opinions on topics such as

the arts and international events; however, they should be a bit more discreet when political issues come up. Nevertheless, Germans are relatively relaxed about discussing political issues and openly expressing their opinions here.

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#### NEGOTIATION SKILLS:

When entering into business negotiations with German business people, there are several important points that you should be aware of to ensure a positive outcome from negotiations:

- Germans are competitive, ambitious and hard bargainers.
- Business negotiations tend to be analytical and factual. A well-researched speech with lots of graphs, empirical arguments, and statistics is usually preferred. A direct, matter-of-fact approach will be most appreciated.
- Business is hierarchical. Decision-making takes place at the highest levels of the company i.e. top-down. It is not appropriate to bypass an associate of equal ranking by consulting with his or her superior, even if negotiations take a long time.
- Deference is given to authority. Subordinates rarely contradict or criticise the boss publicly.
- Decision-making is often a slow and detailed process. Do not expect significant conclusions to be reached based on spontaneous or unstructured results. Every aspect of the deal you propose will be pored over by many executives. Do not anticipate being able to speed up this process.
- As such, decision making during negotiations is slower than in some other European countries. An impatient businessperson will be unlikely to garner the same respect as a patient, reasonably spoken individual. If Germans feel rushed to complete a business deal, they may perceive this as a lack of commitment and professionalism.
- You must be patient and not appear ruffled or irritated by the strict adherence to protocol. Germans are detail-oriented and want to understand every innuendo before coming to an agreement.
- Germans have an aversion to divergent opinions, but will negotiate and debate an issue fervently.
- Avoid confrontational behavior or high-pressure tactics. It can be counterproductive. Avoid contradictory statements, such as following a compliment with a complaint; the inconsistency may cause a German to reject your statements outright.
- Jokes, anecdotes, a “hard sell” approach (which may entail insulting a competitor), or spontaneous presentations are generally considered inappropriate. Slang language and colloquialisms should be kept to a minimum or better yet, not used at all.
- Decisions are often debated informally and are generally made before meetings with compliance rather than the consensus expected in the meeting.
- Final decisions are translated into rigorous, comprehensive action steps that you can expect will be carried out to the letter. Once a decision is made, it will not be changed.

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#### INVISIBLE CODES:

Don't turn up late for an appointment or when meeting people. Germans are extremely punctual, and even a few minutes' delays can offend. Be five to 10 minutes early for important appointments and be sure to call the people you are meeting if you really cannot make it in time.

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## ETHICS: BUSINESS KNIGGE

Germans usually maintain an objective discussion in working life. Work talks are focused on content, after a short small talk you get to the point quickly. Germans want to convince with skills and therefore want to show them. As a result, they gain trust. They do not take the criticism on the factual level personally.

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## COMMUNICATION:

In private, the older person suggests using the informal *du* to the younger person. In the business world, the higher-ranking person—regardless of age and sex—would always be the one to suggest switching to *du*. A nice intermediate step is to address a person by their first name but then use the formal *Sie*. Always ask, however, before you decide to take this step. If you're not on a first-name basis in German, you can still switch when speaking English. But don't forget to switch back.

It is polite to address everyone by their family name and *Sie*. Do not leave off double-barreled names, such as *Frau Müller-Weber*. Names are inserted into conversation after every few sentences.

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## GIFTS:

In business, gifts have become uncommon. In the run-up to Christmas, business partners give Christmas cards with a small gift. Attention: check out, if your business partner is allowed to take gifts. In large companies and the public service sector are often rules for accepting gifts.

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## REPRESENTATION:

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### AT A RESTAURANT:

Beer and wine are part of a normal dinner and alcoholic drinks are usually offered to guests. Not drinking, however, is completely accepted. Do not insist on alcoholic drinks if a person has rejected your initial offer and don't order them for them. A German who rejects a drink is not just being shy or polite but does not want to drink.

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### IN THE HOME:

Bring flowers or a bottle of wine if you're invited to a German home.

## OTHER:

### COUNTRY AND PEOPLE:

Germans are extremely environmentally conscious and separate their garbage to facilitate recycling. If your neighbors spot you throwing recyclable glass or paper into the regular garbage, your relationship could be strained for good.

When customers enter shops, especially smaller outlets, they greet everyone in the shop (but they don't shake hands with everyone). The same is true of doctors' waiting rooms. So, practice saying: *Guten Tag* and *Auf Wiedersehen*.

### CHALLENGES:

- Show expertise, that you know the technical details - show who you are and prove yourself. Show of a little.
- Language - get someone who speaks German
- Good references preferably from big companies. Germans don't trust them gut.
- Detailed plan, not just a big idea. Linear types. Think things through.
- Know the regulations and standards.
- Prove that you are able to deliver
- Trust, Bureaucracy

### WHAT IS THE WORST THAT CAN HAPPEN:

- Not being able to answer the questions - then it's bye, bye...
- Misunderstand each other. Germans get annoyed easily when they are not understood. Not very patient.
- The reference is exaggerated or made up
- You will get rejected. (You could be invited to a second meeting to explain the details)
- lose money by paying fines, lose time, lose trust

### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

- You have a salesman, a nerd and German-speaking person. Preferable all in one or at least show that you have the knowledge with you (local rep who knows what needs to get done)
- learning the language
- having references in the country (other people who have done business with you)
- be persistent (if you get turned down the first time)
- keep deadlines
- commitment to learning the local procedures
- "Trust is good - control is better"



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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

- Be on point - be direct, be clear. Be professional. Bring the right materials/proof of concept. Being successful will probably earn yourself a foot in the door (a very heavy iron door). And second chance to prove yourself. None buys in the first meeting. The social part comes later - strictly business in the beginning.
- Understand the high standard of the Germans. Know your competitors and who the company already works with. Know who you are talking to. Do your homework- what are the weak points. If the connection is personal or business, know it might take time to get a contract.
- Motivation, Positivity.
- Information about business partners.
- About decision-makers.
- Knowledge to be polite, cultural behaviors, empathic encouraging.

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#### SITUATION - BEHAVIOUR - RESULT:

- Situation: do whatever needed to rescue the situation and correct
- Behavior: to show to be clean that you have that Confident, well organized
- Result: deal, company higher salary, new position Compromise
- Taking the time to prepare, you show respect and that you are serious. "Show due diligence". Somewhat different when you meet someone at a fair/exhibition. Know the region you are in - business etiquette differs somewhat depending on where you are. What to wear, how to act.



**DK DENMARK**

**COUNTRY: THE KINGDOM OF DENMARK CONSISTING OF DENMARK (EUMEMBER), GREENLAND (AUTONOMOUS AND NON-EU-MEMBER) AND FAROE ISLANDS (AUTONOMOUS AND NON-EU-MEMBER)**

#### **FACTS:**

Area: Denmark (43.098 km<sup>2</sup>), Greenland (2.166.086 km<sup>2</sup>), Faroe Islands (1.393 km<sup>2</sup>)

Population: Denmark (5.822.763), Greenland (56.000), Faroe Islands (50.000)

Government: Parliament with prime minister, at the moment a social democratic government and prime minister

Language: Danish, which can be used also in Greenland (Greenlandic) and Faroe Islands (Faroese)

Religion: 75 % are members of the Danish protestant Christian state church, 6 % muslims, 19 % jews/baptists/catholics/atheists. However, 50 % of the population define themselves as "non-religious"

Currency: Danish crowns (DKK)

Time difference from CET: (GMT +1 hour Denmark), Greenland (GMT -3 hours), Faroe Islands (GMT)

Climate: Denmark and Faroe Islands have tempered climate, Greenland has arctic climate

Capital: Copenhagen (Denmark), Nuuk (Greenland), Torshavn (Faroe Islands)

National Day: The 5th of June

#### **TIME:**

#### **HOLIDAYS AND VACATION:**

The general holidays around Christmas, New Year, Easter, etc. July is in general the month for summer vacation.

#### **OFFICE HOURS:**

8-16

#### **MANNERS AND CUSTOMS:**

#### **COURTESY:**

Normal politeness will be enough, not too much small talk at the first meeting, as time is precious (and expensive). Be precise to show that you are serious (start meeting at the planned time and finish meeting at the planned time). Later when people get to know each other there are no special rules.

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#### DRESS:

In general Danes are quite relaxed and informal so dressing may be informal, especially for women, for men maybe a jacket and shirt without tie for the first meeting when it concerns private companies.

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#### BODY LANGUAGE:

Relaxed and not so important, but be sure that you pay attention to your meeting partners to show that you are serious.

#### NEGOTIATION:

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##### BUSINESS MEETING:

You must be very structured not to waste time. Say yes to have the coffee, which is normally offered to you. Very little small talk. Lunch and dinner meetings are not very common in Denmark, as most meetings are in the office with a cup of coffee. Equality is important in Denmark, so be polite to everyone, and be aware that you cannot always from the beginning of the meeting spot the hierarchy among the Danish meeting participants.

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##### NEGOTIATION SKILLS:

Be well prepared with your offer and prices, and make it clear if you can take decisions on the meeting or not. It is OK that you cannot take decisions at the meeting, but then you must make it clear from the beginning. Not always, but often the Danish partner is prepared to make a decision at the meeting if things seem to fit together. Speaking English is a must, as using interpreter is not considered serious.

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##### INVISIBLE CODES:

Be on time and finish on time, people may be annoyed if you are late and if you exceed the agreed length for a meeting.

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##### ETHICS:

Denmark is in general a "non-religious" society, and in general there are no extreme political views among the population. We consider ourselves to be liberal in relation to alcohol, sexuality, religion, politics, freedom of speech, human rights etc. If you behave in a slightly different manner Danes will probably excuse you because you are a foreigner.



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#### COMMUNICATION:

All Danes speak and write English, but in a lot of companies/organizations German is also working. All Danes can read Norwegian/Swedish, and most Danes understand Norwegian/Swedish if the meeting partner speaks a little bit slow. Mail, skype, etc. is working.

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#### GIFTS:

It is welcomed, but not expected that you give gifts to each other, and do not expect gifts from the Danish meeting partner. If you meet public partners avoid gifts as it may be misunderstood, as corruption is absolutely and totally unacceptable in Denmark, and any proposal with the smallest touch of corruption will probably shot down all business talks.

#### REPRESENTATION:

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##### AT A RESTAURANT:

If you meet in a restaurant you probably know each other already and there will be more room for small talk and it is general not expected that decisions shall be taken/ business shall be settled during meetings at a restaurant.

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##### IN THE HOME:

You are in general only invited to the private home if you know each other quite well - bring a gift (flowers or a bottle of wine).

#### OTHER:

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##### COUNTRY AND PEOPLE:

A small and very flat country with good infrastructure (roads, trains, flights). It is in general not complicated to do business in Denmark, but as Denmark is a very regulated country with relatively tight control by authorities everything is in general done by the rules - also in business. We have differences in income, but no clear dividing social classes. There are different accents across the country, but that will in general not reveal the income level of a Dane. Denmark consider itself as a country with a high degree of welfare, and social pensions are relatively high, e.g. unemployed people receive app. EUR 2,100 per month in two years.

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##### CHALLENGES:

Humor is an important part of Danish social life and communication - in some situations part of the Danish humor is irony - which is often not understood by the foreign counterpart, so do not feel offended or get scared if you are exposed to Danish humor, which may sometimes be a bit difficult to translate/understand.

It is often not very transparent who is the actual decision maker, so at meetings with a few persons it is important not to ignore anyone, but always communicate and have contact with all Danish participants.

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#### WHAT IS THE WORST THAT CAN HAPPEN:

If you behave with normal politeness and are serious “the worst thing” will probably not occur to you. No one will shout at you or throw you out of the office. The worst thing that can happen is that the Danish counterpart says (at the meeting or later in an e-mail) that they are not interested in further talks.

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#### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

Be well prepared and be serious. The Danish approach to doing business in Denmark is about creating a win-win situation, otherwise we all know that the relation will not last long.

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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

Information, knowledge and skills are essential in relation to business. No special information, knowledge and skills is expected or requested in relation to the culture, country, the Danes etc. unless it is important in relation to business.

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#### WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

Information, knowledge and skills are essential in relation to business is important to show that you are serious and wasting peoples time, which is very unpopular in Denmark as time is precious and expensive.

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#### SITUATION - BEHAVIOUR - RESULT:

Adapt to the situation, be yourself and act according to “normal” European rules for social behavior and doing business - then things will probably go well.



EE ESTONIA

## COUNTRY: ESTONIA

### FACTS:

Area: 45.339 km<sup>2</sup>

Population: 1.328.360

Government: Parliamentary republic

Language: Estonian

Religion: There is no state religion in Estonia, and many of the people are either nonreligious or atheist. The Christian majority includes a large slice of unaffiliated Christians, along with significant Evangelical Lutheran and Eastern Orthodox communities, as well as lesser numbers of Baptists, Methodists, and Roman Catholics.

Currency: Euro (EUR)

Time difference from CET: +2

Climate: The climate of Estonia is marked by cold winters and fairly warm summers

Capital: Tallinn

National Day: Independence Day (February 24), Restoration Independence Day (August 20)

### TIME:

#### HOLIDAYS AND VACATION:

- New Year's Day (January 1)
- Independence Day, anniversary of the Republic of Estonia (February 24)
- Good Friday (April)
- Easter Sunday (Second Tuesday of April)
- Spring Day (May 1)
- Pentecost (May 31)
- Victory Day (June 23)
- Midsummer Day (June 24)
- Day of Restoration of Independence (August 20)
- Christmas Eve (December 24)
- Christmas Day (December 25)
- Boxing Day (December 26)

Vacations per year is 28 calendar days, mostly 2 weeks of vacation is planned in the middle of July.

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#### OFFICE HOURS:

Business hours are mainly 8:30/9:00-17:00/18:00. Estonians work even during the weekends, vacations and after office hours.

#### MANNERS AND CUSTOMS:

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##### COURTESY:

First handshake, greetings can come across as rather formal and rather reserved.

Men should initiate greetings with women and the younger person always greets the older person. When meeting someone make sure you are stood up, offer direct eye contact and give a nice firm handshake. The most common greeting is *tere* (hello).

---

##### DRESS:

In Estonia there are four distinct seasons. This should be taken into account when planning what to wear. Workwear smart casual, Fridays are more like casual.

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##### BODY LANGUAGE:

Estonians are quite formal. Tend to speak softly and do not like to draw attention to themselves. Being rational, calm and not going to emotional extremes are all qualities that respected. At first Estonians can come across as aloof. Once a relationship warms up this becomes less so.

#### NEGOTIATION:

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##### BUSINESS MEETING:

Estonians are prepared for hard work, and are concerned with accuracy, detail and deadlines. Estonians mean what they say and do what they say they will do. Estonians are somewhat pragmatic and reserved, especially in the early stages of developing a business relationship. Estonians are not emotive speakers.

---

##### NEGOTIATION SKILLS:

Estonians mean what they say and do what they say they will do. They expect foreign businesspeople to keep their word. Failing to do so can cause irreparable harm to a business relationship. They are generally polite and courteous speakers. Estonians are somewhat pragmatic and reserved, especially in the early stages of developing a business relationship. Estonians are not emotive speakers. If you are from a culture where hand gestures are robust, you may wish to moderate them to conform to local practices. Soft voices



are the norm. If you have a booming voice, you may wish to moderate it when conducting business with Estonians. Estonians do not always respond to what has been said, especially if they are uncomfortable with the subject or if they need more time to organize their thoughts. Although they are direct communicators, Estonians temper their directness in order to protect the feelings of all concerned. They are slow to pay compliments and may become suspicious of compliments offered too readily and without sufficient reason. Passive silence is very much part of the communication style. Estonians are not fond of conversational overlap and will not think highly of someone who interrupts them while they are speaking. Estonians value their good reputations. Therefore, be careful not to criticize or embarrass anyone publicly.

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#### GIFTS:

In Estonia formal gifts are more and more regulated in the internal code of conduct.

#### REPRESENTATION:

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##### AT A RESTAURANT:

Dinner is the most common, lunch is the second common get together. Breakfast is not often used for business meetings.

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##### IN THE HOME:

Estonians are getting more and more used to host an event in their homes. Usually it is gathering of a good friends.

#### OTHER:

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##### COUNTRY AND PEOPLE:

Estonia is small, we do not have major differences in different part of Estonia.



**FI FINLAND**

## COUNTRY: FINLAND

### FACTS:

Area: 338.440 km<sup>2</sup>

Population: 5.513 million (2018)

Government: Parliamentary democracy

Language: Finnish and Swedish

Religion: Evangelical-Lutheran (83 %) and Orthodox (about 1.1%)

Currency: Euro (EUR)

Time difference from CET: +1

Climate: The climate of Finland is marked by cold winters and fairly warm summers

Capital: Helsinki

National Day: 6<sup>th</sup> December

### TIME:

#### HOLIDAYS AND VACATION:

The main Christian holidays are [Christmas](#), [New Year's Day](#), [Epiphany](#), [Easter](#), [Ascension day](#), [Pentecost](#), [Midsummer Day](#), and [All Saints' Day](#). The non-Christian holidays are [May Day](#) and the [Independence Day of Finland](#).

#### OFFICE HOURS:

Business hours are generally from 08:00 to 16:15 – government agencies and most institutions follow these hours – banks are open until 16:30 and most business is done Monday to Friday.

### MANNERS AND CUSTOMS:

#### COURTESY:

When greeting, the parties shake hands and make eye contact. A deep bow denotes special respect – in normal circumstances, a nod of the head is enough. A Finnish handshake is brief and firm, and involves no supporting gestures such as touching the shoulder or upper arm.

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#### DRESS:

In business environment proper attire is a suit or smart casual.

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#### BODY LANGUAGE:

Finns prefer to keep a distance when greeting, so normally a firm handshake is enough.

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#### NEGOTIATION:

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##### BUSINESS MEETING:

Punctuality and factual debate are appreciated by the Finns. Be on time when the meeting starts!

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##### NEGOTIATION SKILLS:

When negotiating with Finns show trustworthiness, and be open about your business. The challenges emerge as an outcome of poor communication and lack of trust between the parties. For Finland, these points are especially important because of the soft bargaining culture and realistic starting point in the negotiation.

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##### INVISIBLE CODES:

Finns are modest about their achievements, and you should be the same. Do not expect immediate feedback or a lot of questions. The silence indicates they are thinking about what you have said. Silence in conversations is considered an accepted aspect of social interaction. You should not talk when someone else is talking since interrupting is regarded as rude.

---

##### ETHICS:

Finns are quite cautious and wish to keep up appearances and protect their privacy. You should not show any strong emotions in public or behave in too gregarious a way. Never ask personal questions, such as those related to someone's religion, job or political party.

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##### COMMUNICATION:

Finns do not usually make small talk when negotiating, but tend to get straight to the point. The style of discussion is often factual and intelligent debate is respected. Finns also value a critical attitude and do not hesitate to express their dissenting opinions. This is considered less rude than honest. Criticism is regarded as to do with one's work and not as a personal attack. It is possible to have fun together immediately afterwards.

---

#### GIFTS:

Not typical in a business meeting, but always appreciated.

#### REPRESENTATION:

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##### AT A RESTAURANT:

Usually, the most common mealtime to be shared with your business partners is lunch. In Finland, it is appropriate to discuss business during lunch unlike in some cultures where meal times are reserved for non-business-related topics. Hardly any alcohol is consumed at lunch time and the busy pace of working life has shortened business lunches to 1-2 hours. Lunch time at restaurants is usually between 11 AM and 2 PM.

---

##### IN THE HOME:

Finns still eat most of their dinners at home with their families. At lunch time, canteen meals in educational institutions and offices are the most usual. Dinner is served between 6 PM and 8 PM as a rule. If invited to dinner it is important to be on time regardless of whether you are invited to restaurant or your business partner's home. If you are meeting in a private home you should bring flowers, chocolate or a bottle of wine.

#### OTHER:

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##### COUNTRY AND PEOPLE:

In Finland, there's one overarching concept that all Finns agree and are proud of. It is called *sisu*. *Sisu* means courage, grit, determination and bravery in the face of obstacles and challenges. It's sometimes translated into "Finnish spirit". Having *sisu* allows a person to keep going when others would consider a task impossible or give up.





LT LITHUANIA

## COUNTRY: LITHUANIA

### FACTS:

Area: 65.300 km<sup>2</sup>

Population: 2.794.329

Government: Republic

Language: Lithuanian

Religion: Christianity

Currency: Euro (EUR)

Time difference from CET: +1

Climate: Relatively mild, between maritime and continental

Capital: Vilnius

National Days: The Lithuanian State Reestablishment Day (16 February); the Statehood Day (6 July)

### TIME:

#### HOLIDAYS AND VACATION:

Usually, there are 10-13 public holidays (which come with a day off) each year. It combines not only Easter, Christmas, New Year, but also the Day of Restitution of Independence of Lithuania, St. Johns Day, Labour Day, Assumption of Mary, All Saints' Day.

#### OFFICE HOURS:

A typical working week is 8 hours a day, 5 days a week starting between 8 and 9 am (most public entities open and 8 whereas many businesses work from 9am). Friday is often a shorter work day, especially in the public sector, so the day might end around 4 pm.

Banks generally open at 8am and close early, while shops are open from 10am until 7-10pm from Monday to Friday. Daily lunch breaks are usually short (30 to 60 minutes) and most people take their lunch at noon.

### MANNERS AND CUSTOMS:

#### COURTESY:

The custom in Lithuania is a firm handshake. Close friends and family may give each other light hugs or exchange kisses on the cheek. However, foreigners should wait for the Lithuanian partners to define when your acquaintance is so close.

Any topic of discussion is good to start a conversation with. You can talk about family, work, hobbies and sports. Lithuanians are fond of basketball and their national team is among the best in the world.

People are referred to by their title and surname. Colleagues and supervisors are usually referred to by their first name with *Ponas* (Mr), *Panele* (Ms) or *Ponia* (Mrs) or by title: Doctor, Professor, Director, Principle etc. and sometimes including last names. It is important not to address someone by their first name until invited to do so.

Lithuanians tend to value each other's time and punctuality is encouraged.

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#### DRESS:

In business, conservative/classical clothing is common. Men tend to wear a dark suit with a tie, while women might wear a trouser suit, or jacket and skirt. For business meetings, choosing a dark suit to wear is always appropriate for men and women should also wear a suit or something elegant. Lithuanians expect their foreign business associates to be well dressed and business attire is appropriate for almost all formal occasions.

However, many startups choose a very casual attire, especially in the ICT area.

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#### BODY LANGUAGE:

Personal space is important to Lithuanians. An arms' length is the norm, although this might be less with family and close friends. Lithuanians are generally very affectionate with their family, friends and colleagues, while maintaining a good degree of respect. Physical contact should be avoided in business meetings.

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#### NEGOTIATION:

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##### BUSINESS MEETING:

Lithuanians are usually conservative in their manners and the way they communicate; they are direct and say what they mean politely. Lithuanians are warm people, although they might not give this impression at first. When they get well acquainted with somebody, they are willing to share more personal information. In general, Lithuanians are very reserved and not emotive talkers. They do not say much and do not like people who talk too much. But these characteristics are more common for average people, it is worth to consider, that those seeking for business opportunities or doing business, are eager to collaborate and communicate. So, when you are in discussion with them, be concise and get straight to the point. Lithuanians obviously try not to offend at the first meeting, but they are still going to say exactly what they think and will expect the same from their partners.

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#### NEGOTIATION SKILLS:

Age and educational background often form the basis for corporate hierarchy so when negotiating, it is advisable to send delegates of a similar status to those of your Lithuanian colleagues, both in age and professional qualifications. More junior members of a team should not address a senior-ranking Lithuanian businessperson directly as it is seen as a breach of etiquette.

Business negotiations in Lithuania adopt a reserved and contemplative approach to settling deals. Extended periods of silence are not uncommon and are an essential part of negotiating so you should try not to fill the silences with unnecessary talk and avoid pressing your Lithuanian counterparts for final decisions.

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#### INVISIBLE CODES:

Although they are industrious and hardworking, most Lithuanians are very modest. People who brag are deemed arrogant. Again, those doing business are eager to socialize and make relations.

When doing business in Lithuania, it is important to remember the importance of relationships. Building individual relationships is essential to the success of business objectives, especially when business will be conducted over a long period of time.

Eye contact is important to Lithuanians. They consider it as a sign of dishonesty if a person refuses to, or is reluctant to make contact.

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#### ETHICS:

You should dedicate time and effort in fostering relationships through informal meetings and continuing communication.

Lithuanians prefer to have all agreements on paper, signed and sealed. Verbal agreements are good, but not legally binding. All agreements, deadlines and procedures are written up in both English and Lithuanian and signed by both sides. However, Lithuanians who are doing business and seek for foreign partnership, are fluent in English and usually provide the documents in English.

---

#### COMMUNICATION:

It is customary to start business meetings in Lithuania with some introductory small talk. This allows you to become more acquainted with your Lithuanian counterparts and establish an initial business rapport. Conversational topics may cover a wide range of issues including public life, family and your work experience.

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#### GIFTS:

Lithuanians prefer to meet in offices or cafes, restaurants in order to negotiate business issues. It may happen rarely, but if you are invited to a Lithuanian home, a small gift such as a bottle of wine or flowers

for your host is generally expected. Pay special attention when giving flowers – ensure that there are an odd number of flowers as even numbers signify someone's passing. Hosts are generous and go out of their way to ensure their guests' comfort. Do not give chrysanthemums – they are used in funerals. Do not give white flowers – they are reserved for weddings. Gifts are generally opened when received.

## REPRESENTATION:

### AT A RESTAURANT:

Representation is mostly done in a restaurant and can be luxurious restaurant or the upgraded local food restaurant. If you have agreed to share the bill, you will share the cost no matter what each one consumed! It is very unusual and extremely inappropriate to get drunk at a business dinner.

### IN THE HOME:

Hosts are generous and go out of their way to ensure their guests' comfort. If you are invited over to someone's home, you will be served. You are not expected to help clean up after dinner although it would be considered as a nice gesture to ask.

## OTHER:

### CHALLENGES:

It is essential to do business homework (it means market research, travel details, analysis of the visited companies). Your business could run into bureaucratic problems with the permits and paperwork needed and public officials will often stick to the rules and procedures and will not be flexible or go out of their way to help your business.

### WHAT IS THE WORST THAT CAN HAPPEN:

Can lead to wrong decisions and wrong impression You would lose time and money in doing admin work that would be rather spent on business development.

### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

Ideally, it is convenient to contact local representatives or a local law firm who know business-related requirements well and will be able to prepare the documents properly. "Verslo žinios" newspaper (considered to be one and only newspaper and online news portal [vz.lt](http://vz.lt) which specializes in business related news coverage) could also be helpful – it publishes business environment updates, forecasts and changes.



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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

The main challenge goes to business related procedures, time frames. Applicant have to be patient and persistent (be pro-active). Also, it is very important to search for the most relevant and up to date information.

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#### WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

You need it to ensure your business in on track and in not running into any bureaucratic problems. Being persistent will always help with the authorities and will make sure your case is dealt with in a timely manner. In some situations, having a trustworthy Lithuanian partner will save you on notary costs when approving translations to the local language.

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#### SITUATION - BEHAVIOUR - RESULT:

If you do not adhere to the rules and procedures, you need to know how to address the situation (people with the right skills and knowledge) – you need to be assertive, need to know the legal framework and requirements and proactively make sure your business is adhering to those rules – this behaviour will make sure do what you need to run a business.



LV LATVIA

## COUNTRY: LATVIA

### FACTS:

Area: 64.589 km<sup>2</sup>

Population: 1.92 million (2019)

Government: Republic, parliamentary democracy

Language: Latvian (official); Russian, English and German are also widely spoken

Religion: Christianity

Currency: Euro (EUR)

Time difference from CET: +1

Climate: Relatively mild, between maritime and continental

Capital: Riga

National Day: 18<sup>th</sup> November (Proclamation Day of the Republic of Latvia)

### TIME:

#### HOLIDAYS AND VACATION:

Usually, there are 14-15 public holidays (which come with a day off) each year.

- The New Year (31<sup>st</sup> December - New Year's Eve; 1<sup>st</sup> January - New Year's Day)
- Easter (Easter Good Friday; Easter Sunday/First Easter; Easter Monday/Second Easter)
- Labour Day/Latvian Constitutional Assembly Convocation (1<sup>st</sup> May)
- Day of the Restoration of Latvian Independence (4<sup>th</sup> May)
- Midsummer Fest (23<sup>rd</sup> June - Ligo day/Midsummer's Eve; 24<sup>th</sup> June - Midsummer Day)
- Song and Dance Festival Holiday (every 5<sup>th</sup> year)
- Proclamation Day of the Republic of Latvia (18<sup>th</sup> November)
- Christmas (24<sup>th</sup> December - Christmas Eve; 25<sup>th</sup> December - First Christmas; 26<sup>th</sup> December - Second Christmas)

#### OFFICE HOURS:

A typical working week is 40 hours which is 8 hours a day, 5 days a week starting between 8am and 9am. Friday is often a shorter work day, especially in the public sector, so the day might end around 4 pm.

Banks generally open at 8am, but shops are open from 10am until 7-10pm from Monday to Saturday. Lunch breaks are usually 30 to 60 minutes long and most people take their lunch at noon.

## MANNERS AND CUSTOMS:

### COURTESY:

When meeting for a first time with business partners Latvians shake hands, introduces themselves and exchange courtesy phrases. The best topic to start a conversation is weather. You can also talk about family, work, hobbies and sports. At the first meeting people are referred to by their surname. At previous times it was important not to address someone by their first name until invited to do so. Nowadays, when people meet again, more often they address each other by their first name.

### DRESS:

At the office, business people follow a less formal dress code and in smaller businesses there are usually no formal dress codes. This varies in different industries and generations. In banks employees are dressed more formal. Start-ups choose a very casual style, especially in the ICT area. Formal suit with a tie is dressed at a formal event, shirt without tie for an informal meeting are suitable.

### BODY LANGUAGE:

Be relaxed. Having your arms, legs or feet crossed can give impression that you are not being open and honest or interested in the conversation. Your handshake is your first impression to show your confidence, so pay attention to how you are shaking someone's hand. It is best to shake everyone's hand entering and exiting a meeting. To shake someone's hand with other hand still in your pocket is considered inappropriate.

## NEGOTIATION:

### BUSINESS MEETING:

When it comes to punctuality, Latvians are relatively tolerant. If you try to arrive a few minutes before your appointment, you will have time to prepare yourself a little more while you are waiting. Meetings often begin with a welcoming speech from the most senior Latvian at the meeting. If this occurs, the most senior person from your team should respond with a short speech. It generally takes several meetings to reach a decision. In most cases, decisions are still made at the top of the company, so what you propose will have to make its way up the chain of command for approval.

It is common to continue meetings over lunch or dinner, although the conversation will tend to be social rather than business-oriented. These occasions are good opportunities for you to get to know your Latvian colleagues and for them to get to know you as an individual.

---

#### NEGOTIATION SKILLS:

Business negotiations in Latvia are tough. Sometimes decision may be taken before the meeting and in this case, there must be serious causes to change it. Latvians do not express their emotions during negotiation. The time required for negotiation depends on the attitude of the partners and the nature of the sector. It usually takes longer to negotiate in the public sector than to do business in the private sector because of the bureaucracy.

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#### INVISIBLE CODES:

If your host invites you to call them by their first name, this is a sign of a comfortable relationship, but not necessarily that you are negotiating on friendly terms. Building individual relationships is essential to the success of partnership, especially when business will be conducted over a long period of time.

---

#### ETHICS:

Informal meetings are not recommended to disparage about the country or blame on its chosen path of development. The Soviet occupation is still a painful topic for society, therefore, do not think about starting deliberately to deny the former Soviet occupation or, to speak about it from a very positive side. Better start to talk about neutral topics, such as weather, sports, famous places in Latvia, national cuisine or culture.

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#### COMMUNICATION:

The best way to contact someone in Latvia is to make a phone call. Latvians enjoy using their phone and they will gladly receive your call. Contact by email is popular, but response times still vary considerably and it may take a while before you receive an answer. Nevertheless, email is often preferred in the business environment because there is a clear written record that can easily be referenced. Latvians who are doing business with foreign partners are fluent in English and usually provide the documents in English.

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#### GIFTS:

Business partners do not expect presents at the first meeting, yet small gifts to business associates are generally accepted. You should bring something small from your country, a unique souvenir representing your country or company. It could be a small plate with a monument picture, a key holder with a representative historical or natural monument, heraldic signs applied on various small objects.

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#### REPRESENTATION:

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##### AT A RESTAURANT:

Business lunches are common, but a business dinner is preferred. When the purpose of the business dinner is to entertain and spend time together in getting to know each other, then more casual dress is appropriate. You may offer to pay, but usually your host will politely refuse and pay the bill himself.



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#### IN THE HOME:

Latvians prefer to invite their guests to lunch or dinner at a restaurant, rather than to their homes. But, after a few visits to Latvia when you have got to know each other better, a business relationship can develop into a friendship. If you are invited to a Latvian's house, take a box of chocolates, a bottle of wine, fruit or flowers for the hostess. Flowers should be given in odd numbers due to the fact that in Latvia flowers in an even number are brought to the cemetery.

#### OTHER:

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#### COUNTRY AND PEOPLE:

Latvia is ranked the 19th among the other world countries by The Ease-of-Doing-Business Index (2018) and belongs to the group of very high human development world states. Thanks to its convenient geographical location Latvia has a well-developed transit service net within well-functioning transportation and logistics industry.

Latvians are a mix of a common Baltic character between a bit of emotional Lithuanians and noticeably cold Estonians. Anyway, individualism is the main feature of the Latvian character. Latvians are relying only on themselves, which makes them a little reserved, restrained, not much talkative in communication with others.

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#### CHALLENGES:

Latvian market is relatively small and in this point of view, business people may know each other well. That is why it is important to be in good relationship with local business representatives who are trustful and has respectfulness among other entrepreneurs. Latvians can be extremely reserved. They do not readily smile, especially at strangers. It could be challenging to earn trust, but once earned, Latvians can be very generous and helpful.

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#### WHAT IS THE WORST THAT CAN HAPPEN:

At the first meeting you have to make a good first impression. If decision is made before meeting it will be really hard to change it. Losing trust by making up facts is a deal breaker.

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#### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

Latvians are relatively tolerant to punctuality, but if you will be on time and even 5 min before meeting, it will show, that you are taking this meeting seriously and will leave a good impression.

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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

Before you come to Latvia you have to prepare yourself, get to know topics that are taboo and what is acceptable. Don't criticize country and be polite to everyone.

Business partner must know his field and be an expert in it. Meeting will be successful if you can answer all the questions. Information must be clear. Latvians don't like to talk too much so be precise. You have to earn trust with your professionalism. Bring the right materials of concept and show examples and/or your feedback.

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#### WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

These are the preconditions for starting a successful business relationship.

It shows that you know what you are talking about and that cooperation and doing business with you will be successful for both sides.

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#### SITUATION - BEHAVIOUR - RESULT:

If there is some misunderstanding, you have to put extra effort to explaining yourself. You will need to convince Latvian business partner. Be patient, confident and honest. If you are prepared for this meeting professionally then result will be rather successful.

The opinion of the entrepreneur:

*"I agree with almost everything, except that the call always has a higher priority than the e-mail. For example, if I don't know person yet (I haven't had a specific discussion yet), then I prefer e-mail rather than call. A call can be a priority if a topic with a person is already active. Otherwise, if I don't really know the person, it is more difficult to tell the communication purpose from one call."*

*/"Biotehniskais centrs", Mr Juris Vanags - Chairman of the Board/Director. /*



**PL POLAND**

## COUNTRY: POLAND

### FACTS:

Area: 312.679 km<sup>2</sup>

Population: 37.980.000 ethnically homogeneous

Government: Unitary semi-presidential representative democratic republic

Language: Polish

Religion: Christianity (Catholicism around 90%)

Currency: Zloty (PLN)

Time difference from CET: +2

Climate: Transitional between warm, maritime climate and continental

Capital: Warsaw (pop. 1,708,000)

National Day: Independence Day (11th November)

### TIME:

#### HOLIDAYS AND VACATION:

In addition to Christmas, New Year and Easter, in Poland we celebrate such holidays as:

- Labour Day (1st May)
- Constitution Day May (3rd May)
- Corpus Christi on one Thursday (May or June)
- The ninth week after Easter
- All Saints Day
- Independence Day (11th November)

#### OFFICE HOURS:

Normal office hours are 9-17, in some public institutions also very common working hours are 7-15 or 8-16.

### MANNERS AND CUSTOMS:

#### COURTESY:

Greetings in Poland are usually courteous and reserved. People behave quite formally when meeting strangers for the first time. The common greeting is to shake hands while holding direct eye contact. People

usually shake women's hands first before addressing any men present. Older women are greeted before other girls. The official form of greeting in Poland is the phrase "good morning". If You're meeting someone You already know You can say "Hi" or "Hello". In conversation, with people older than us and people we just met we use polite form like "Mrs. / Mr.". We call family members and friends by their first name. People with professional positions are addressed by their job as their title. For example: *Pan Kierownik* (Mr. Manager), *Pan Inzynier* (Mr. Engineer), *Pani Profesor* (Ms. Professor).

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#### PUNCTUALITY:

Acceptable delay for meetings or events in Poland is 15 min. However, being punctual is very welcome and very much appreciated. In some meetings the delay might be considered as disregard or bad education. Lateness is a sign of bad manners and carelessness in Poland. People are expected to be punctual in both professional and social situations. However, tardiness is still fairly common. Furthermore, it is good to be flexible as events and schedules can be delayed or changed quite rapidly around unforeseen circumstances.

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#### DRESS CODE:

Dress code in Poland is quite simple. Women should wear dresses or skirts that are not too short, in subdued colors. Gentlemen are welcome in black suits and neat, carefully ironed shirts with ties. Casual clothing can be considered inappropriate in public. For example, one would rarely be seen barefoot in public. People tend to dress neatly.

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#### BODY LANGUAGE:

Keeping "normal" distance, eye contact and firm handshake are important. It is extremely common in Poland, likewise in other countries, to shake hands when meeting someone. In Poland, shaking hands is usually followed with the standard greeting which is *dzien dobry* (Good morning) - formal or *czesc* (hello) - informal. Handshakes in Poland are also very popular in formal situations. For example, during a job interview, it is customary to see the applicant extend his/her shake to the interviewer.

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#### NEGOTIATION:

Polish workplaces and businesses are quite hierarchical. People are quite non-assertive to those in positions of power and managers expect full attention. There is a defined distance in between those who are superior and subordinate. It is unlikely for people to be cold with one another, but one is generally more formal when talking to their manager.

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#### BUSINESS MEETING:

Meetings usually start with casual conversations, in order to let participants get to know each other. This facilitates further cooperation. Meetings start on time, with a maximum delay of 15 minutes. Expect to be



introduced by a third party or the host of the meeting if you are the guest Meetings tend to begin and end with small talk at the instigation of the host. Listen respectfully to anything managers have to say. Hard facts and concrete projections are more likely to appeal to them than broad claims or boasting. Arrogance is generally unappreciated. Be frank about your approach, but tactful regarding their feelings. Generally, Poles like to build personal relationships with those they do business with and get to know people's personalities. While people interact quite formally, there is a lot of 'professional closeness'.

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#### NEGOTIATION SKILLS:

Poles have no tradition in the art of negotiating. We usually negotiate without prior professional preparation. Poles waste unnecessarily time - already during negotiation talks - on matters that should be known to them earlier from the documents and correspondence they have, or even thanks to seeking the opinion of a competent person. Although it is changing as more Poles have opportunities to practice negotiation tactics while abroad.

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#### INVISIBLE CODES:

Polish language is one of the most difficult in the world. There are a lot of words that are hard to pronounce. We also have so-called "digraphs" like *cz, ch, sz, rz, dz, dź* and *dź* which are language twisters for foreigners. Poles also love to cut out words and names. We are very talkative and communicative.

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#### ETHICS:

Polish people are very conservative, especially the elderly. We are proud of our tradition, customs and heritage.

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#### COMMUNICATION:

Nowadays, you can talk in English in most public places in Poland, most commonly with younger generations. It encourages foreigners to visit Poland, or start work here. e-mail and telephone are the most common means of communication in our country. All telephone arrangements should be confirmed by an email. However, e-mails in Poland are less formal than letters. Both for e-mails and letters there are some rules on how to write them: for instance, "Madam" at the beginning and "Yours faithfully" at the end.

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#### GIFTS:

Small gifts are very appreciated in Poland. Poles love coffee and chocolate or local beverages, so these types of gifts would bring them a lot of joy. The best time to give a gift is the beginning of the conversation. However, while doing serious business and negotiations it is rather not very recommendable to start with gifts, rather after the whole process or after the meetings in a more non formal environment.

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## REPRESENTATION:

Usually the business meetings are arranged in the conference room of the premises of the company and there is always coffee, tea or water offered at the beginning. When you know your business partner more the best place for a business meeting might be a restaurant. It is because, you can combine a meal with business negotiations, and as we all know it is easier to negotiate when we're full. Neutral and non-binding environment also favors good negotiations. Despite the fact that Poles are a very hospitable nation, we usually don't arrange business meetings in our homes. However, if this is the case, remember to be on time. This is very important because the owner of the house, would have prepared some meals for sure, and it would be very impolite to let him wait for you. During dinner try not to talk about politics or religion, just because it is a very individual matter, and talking about these topics could lead to misunderstandings.

## OTHER:

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### COUNTRY AND PEOPLE:

The middle class is the largest social group in Poland. In most cases, they are owners of small property, e.g. small workplaces. They are mostly people with higher education. This group obliges to certain standards such as: proper expression or neat appearance. The lowest social group has the most unfavorable financial situation in Poland, fortunately, this group is a smaller and smaller percentage with time. Business owners own houses or flats in richer city districts. Among other social groups, flats in the suburbs are the most popular.

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### CHALLENGES:

- Political situation in Poland Political influence in the business different between governmental business or private one
- Political assignment: more general aspects as business in the first meeting; knowledge of Polish history appreciated Business person: more business topics
- Know your product, sure of yourself, prepared from content perspective (you will be observed) not all cards on the table, what are the roles, who has five power - kind of psychological game
- Bureaucracy to enter Polish market
- Topics of small talk: don't talk about politics, religion, sex

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### WHAT IS THE WORST THAT CAN HAPPEN:

Worst things to do:

- You might lose the contact = avoid political conversation know current situation and the representation of government
- Politics might influence the atmosphere, but contact is business decision; in the worst case it will be just meeting without constructive conclusion in the end

- Unexpected costs; frustration, influence the deadlines, block situation
- Bad atmosphere, end of conservation
- Do not make comments that could be perceived to have a disrespectful undertone. Poles tend to be sensitive to condescension

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#### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

- Avoid being unprepared (good to know current political situation)
- Be open for think of other topics but not religion, politics, sex
- Meetings on same hierarchy:
  - first meeting: CEO – CEO
  - second meeting: project level
- gender aspect: business world is primarily a men's world, but women are accepted
- Never ask woman about her age or marital status
- calculate extra money for bureaucracy

Be frank about your approach, but tactful regarding feelings. Be prepared for quite a discerning eye for fairness. If they are skeptical of your trustworthiness or business integrity, they may push back or avoid doing business with you. Avoid appearing as though you are only concerned about the outcome of the deal. They will be looking for an honest commitment to the process and quality of relations.



**RU RUSSIA**

**COUNTRY: RUSSIAN FEDERATION****FACTS:**

Area: 17.125.191 km<sup>2</sup>

Population: 146.745.098

Government: Presidential-parliamentary republic with a federal structure

Language: Russian

Religion: De jure Russia is a secular state. There is no official statistics on different religions in Russia. Christians (mainly Orthodox), Muslims, Buddhists, Jews, as well as representatives of other religious movements live in Russia. According to the latest data from All-Russian Center for the Study of Public Opinion (VTSIOM), the share of Russian citizens who consider themselves Orthodox is about 75%.

Currency: Russian ruble

Time difference from CET: +1 for Kaliningrad, + 2 for Moscow, + 9 for Vladivostok

Climate: The territory of Russia is located in the Arctic, subarctic, temperate and partially in subtropical climatic zones. The predominant part of the territory is located in the temperate zone.

Capital: Moscow

National Day: The 12<sup>th</sup> of June

**TIME:****HOLIDAYS AND VACATION:**

The state holidays are

- New Year, Christmas (January 7)
- Defender of the Fatherland Day (February 23)
- International Women's Day (March 8)
- Spring and Labor Day (May 1)
- Victory Day (May 9)
- Russia Day (June 12)
- National Unity Day (November 4)

Russians are enjoying winter holidays usually lasting from Jan.1 to Jan.8. In addition, summer months are popular for vacation.

**OFFICE HOURS:**

9-18



## MANNERS AND CUSTOMS:

### COURTESY:

At the first meeting it is quite common to shake hands introducing yourself and exchanging visit cards. Be ready to start with some general questions not related to a subject of negotiations, for example about weather, your way of travelling, whether it is your first visit to Russia etc.

Very important thing to know is that it is a common practice in Russia to follow the first day of meeting with a lunch at a restaurant, where hard drinks can be on table. However, the ability to stay sober and modest is appreciated.

### DRESS:

Russians are rather flexible in dressing. Formal suit with a tie is dressed at a formal event, while jacket and shirt without tie for an informal meeting are quite suitable.

### BODY LANGUAGE:

Be stick to modest, not too relaxed behavior and try to pay more attention to your partner. Be polite to everyone. It is undesirable to look away from a partner that is eye contact is important. Avoid giving evasive answers.

## NEGOTIATION:

### BUSINESS MEETING:

Following timeline is important. Moreover, it is advisable to be five to ten minutes early for scheduled time. Very little small talk on general topic before starting negotiations is quite common. At the first meeting a short introduction is common.

### NEGOTIATION SKILLS:

Detailed offer including price list and other provisions of a negotiated deal are very important. Start the negotiation with clarification whether you are a decision-maker. In case the decision-making process will be long it is important to identify when a final decision can be taken and what you need from the Russian partner to achieve a positive result. Avoid high-pressure tactics in negotiations as it may make a partner to become more closed to negotiations. Do not get distracted by other topics when discussing business proposals. Sometimes decision may be taken before the meeting and in this case, there must be serious causes to change it.

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#### INVISIBLE CODES:

Be punctual. Although a 5-minute late for the meeting is usually considered acceptable, it's much better to be five to ten minutes well in advance before the scheduled time. If not, let your partner know that you will not be able to make it in time.

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#### ETHICS:

Usually the Russians don't like to talk about politics, freedom of speech, human rights, to less extent religion with foreigners being aware of differences Russia and the western countries have in these fields. They prefer to be focused on working talks rather than discussing politics, especially regarding internal life in Russia.

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#### COMMUNICATION:

Not all Russians speak and write English, not to mention other languages. Therefore, referring to interpreters is acceptable. Although, there is an increasing belief in Russian business community that people involved in international cooperation are required to at least speak English. Therefore, the language barrier in communication with Russians is gradually disappearing.

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#### GIFTS:

It is better to avoid giving gifts at business meetings. Sometimes Russian partners can give you small trinkets with the symbols of their company or Russia, for example, Russian doll ( *matreshka* ). And on the contrary, such kind of small gifts are acceptable from the foreign partners. Of course, it is not the case with the precious gifts, which are now strongly unwelcomed in business relations in Russia.

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#### REPRESENTATION:

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##### AT A RESTAURANT:

As mentioned above, it is quite common to follow one of the meeting days with a lunch time in a restaurant. All kinds of alcohol, including beer, wine and hard drinks are usually offered to guests. However, not drinking alcohol at all is quite acceptable. In any case, despite the reputation of Russians as big lovers of Russian vodka, drinking a lot of alcohol at a meeting with partners is considered a bad behavior.

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##### IN THE HOME:

Being invited to a Russian home a bottle of wine and flowers to a hostess are welcomed.

## OTHER:

### COUNTRY AND PEOPLE:

Russia is a very big multinational country where people might differ significantly in mentality, culture and their traditions. For example, doing business in Kaliningrad region and in the Caucasus are quite different things. However, there is one common characteristic about Russians, which should be taken into consideration: Russians are fond of joking on themselves, about their shortcomings and everyday difficulties, but they don't like it when foreigners joke on these topics. However, good sense of humor is highly appreciated.

### CHALLENGES:

Rules and regulations for business activity in Russia differ significantly from the EU business laws. In addition, there are several territories in Russia, where a special economic zone regime is implemented with customs and tax benefits for the companies involved in the international business activities. One of such territories is Kaliningrad region.

Some uncertainty and unpredictability of the country's business law is also a feature to be taken into consideration when entering into Russian market.

### WHAT IS THE WORST THAT CAN HAPPEN:

Not knowing Russian business rules and regulations may cause big losses and even make it impossible to extend your business activity to Russia.

### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

Be well prepared for doing business in Russia. Make research on national business laws and regulations. Moreover, it is strongly advisable to have Russian consultant on spot given rather complicated for foreigners domestic business law. Have your goals of doing business in Russia quite clear and understandable. It is very important to show that you are committed to a long-term cooperation. Visa issues can also be a significant obstacle to be tackled when establishing business in Russia.

### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

Information and knowledge of the Russian market, national business laws as well as skills in the selected fields are very important for doing business in Russia.

### WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

Neither knowing Russian business laws, nor having access to professional consulting service on spot will most likely prevent you from succeeding in establishing good business cooperation in Russia. You should

also be skillful and competent in the selected for business field, being ready to share your knowledge, expertise and know-hows with a Russian partner in order to make Russia-based business competitive.

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SITUATION - BEHAVIOUR - RESULT:

Behaving in the above described way one could be accepted and trusted to start and develop business in Russia and it will probably go well.



SE SWEDEN



## COUNTRY: SWEDEN

### FACTS:

Area: 447.435 km<sup>2</sup>

Population: 10.300.000

Government: Constitutional monarchy with parliamentary democracy

Language: Swedish

Religion: Christianity

Currency: Swedish Krona (SEK)

Time difference from CET: 0

Climate:

- Southern part: oceanic climate,
- Central part: humid continental climate,
- Northern part: subarctic climate.

Capital: Stockholm (population: 1,400,000)

National Day: 6<sup>th</sup> June

### TIME:

#### HOLIDAYS AND VACATION:

- New Year's Eve, New Year's Day
- Twelfth Night, Epiphany
- Easter (Good Friday, Holy Saturday, Easter Sunday, Easter Monday)
- May 1<sup>st</sup>
- Ascension Day
- Whit Sunday
- Midsummer Eve, Midsummer Day
- All Saint's Day
- Christmas Eve, Christmas Day, Boxing Day

Workdays followed by a public holiday normally end at lunch.

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#### OFFICE HOURS:

Normally 8 to 17, lunch: approx. 1 hour, between 11.30 - 13.30.

Do not expect people to work over weekends, holidays, or vacations, since these times are usually very precious to Swedes. It is however relatively common that a businessperson will bring work home. If your Swedish business partner has given you his/her phone number, it is acceptable to make a phone call after official business hours. You should remember however, not to disturb your Swedish business partners outside of office hours on business related matters that are not urgent, wait until the next business day.

#### MANNERS AND CUSTOMS:

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##### COURTESY:

You are greeted by hand or just say "Good morning" ( *God Morgon* ) or "Hi" ( *Hej* ).

Titles are not used in conversations. Generally, use first names at once.

Swedes avoid arguing, especially with visitors. If a discussion appears to be turning into an argument, do not be offended if a Swede abruptly changes the subject. Do not use a lot of superlatives when speaking. The Swedes are opposed to stretching the truth. The marks of rank or status are disliked. Do not get too personal. Topics like family, income and personal background should be avoided. Swedes are very proud of their society, so it is wise not to criticize their way of life, welfare system, economy, government or culture. Racist or sexist jokes are not tolerated.

Swedes love their mobile phones, but you should not answer calls during an important meeting. It says that whoever is on the phone is more important than who you're meeting with. Simply turn it off when heading into an important meeting.

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##### DRESS:

Sweden is one of the European countries where a casual dress code is the most popular in the workplace. However, for important business appointments you should dress more conservatively. Appropriate clothes would be a dark suit and tie for men, and a business suit or skirt and blouse for women. Trousers are also acceptable for businesswomen in Sweden.

Swedes themselves are usually fashionably well-dressed in public. Highly styled clothing is preferred in the evening when going out and this is even the case in the smaller towns.

Swedes value quality and that is also true when it comes to clothes. Modesty and a low profile are important. Avoid wearing anything flashy, even the most senior executives do not dress more elaborately than average employees. It's also okay to simply ask whoever you're meeting what dress code to expect. They won't find the question off-putting.

You should remember that there are four distinct seasons in Sweden. This should be taken into account when planning what to wear. During the height of summer, the weather can be hot and humid. The long winter requires appropriate winter clothes: heavy coats, warm gloves, hats, and boots. The colder weather allows women, and sometimes men, to wear heavy boots to work, and then to change into more comfortable office shoes. Because it is cold in Sweden, be prepared to dress in layers.

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#### BODY LANGUAGE:

A cool reception doesn't mean you're out in the cold. Swedes aren't known for being overly gregarious, so don't interpret a terse response as a sign you've failed to make a connection. "Even Swedes can laugh and smile, but if they don't, that doesn't mean they're angry or that the deal is in jeopardy," And rather than a back slap or embrace, Swedes are generally more comfortable with touching "below the forearm".

#### NEGOTIATION:

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##### BUSINESS MEETING:

In Sweden, as in Finland and Denmark, punctuality is very important both when doing business and making social engagements. It follows that you should never be late. If you must be late for any reason it is polite to phone and let someone know. Punctuality symbolizes respect and efficiency. Being late is seen as poor etiquette.

Scheduling and planning are sometimes mentioned as part of the Swedish 'way of life'. Generally, spontaneity and improvisation are not the strongest characteristics of Swedes.

Meetings are expected to commence at the agreed time and will normally start and end with a handshake. The notion of the schedule must be well respected from the beginning to the end of the meeting.

The notions of equality and consensus are also very common in business meetings. Make sure that everyone participates in the decision and that no direct confrontations occur.

It is seen as a matter of course that meetings proceed according to a written agenda and that they result in a written summary recording the most important decisions and agreements. It is important to keep to the promises made at the meetings. Tasks agreed on should be accomplished in time. This will maintain and increase your credibility and build trust, which is an essential condition for any business relationship.

You should make the arrangements for your business meetings in good time. Making the appointment at least two weeks in advance is recommended. Changes at the last minute are not appreciated. When a meeting is organized in Sweden it is common to receive a confirmation in advance.

The ideal times for business meetings are 9:00 to 11:00 a.m. and 2:00 to 4:00 p.m. Changing the time and place at short notice is not appreciated. Swedes treasure their leisure time, most of which is spent with the family. Business partners should not therefore, routinely expect to meet with their Swedish counterparts outside of office hours.

Don't forget to *fika*. The Swedish-style coffee break serves as an informal staff meeting in many offices and isn't something that should be ignored. Normally there are two or three *fika* breaks every day. If you're on deadline, no one will react if you say you are too busy for a *fika*. But if you skip *fika* all the time, people may start to wonder what your problem is.

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#### NEGOTIATION SKILLS:

Where people from other countries may be used to warm things up with a small talk, Swedes tend to get right down to business. In Sweden, you're always ready to talk business. If you're out at a business lunch in Sweden, don't be surprised if you start talking business before your food has even arrived.

Be well-prepared when entering negotiations with Swedes, as they are known for analysing information, backgrounds and proposals carefully. Make sure your presentation is factual and well organized.

Swedes are known for their ability to secure good deals without making enemies. They cherish dialogue and the idea of democracy and it is normal to discuss subjects in detail in order to reach an agreement. Swedish people tend to rely heavily on compromise and consensus when it comes to making decisions and reaching solutions. It's generally felt to be much better if policies and ideas are discussed openly and across all levels before any conclusion is reached. To do business with Swedes it is important to be honest and all agreements must be written and signed since Swedes consider a written contract as a memorandum of understanding as well as being proof of a deal. Swedes are used to being paid within 30 days and all prices are in SEK.

Swedish companies tend to be less hierarchical than companies in many other countries when it comes to internal organisation. This means that a managing director of a firm is more openly available to his or her employees. In general, it's possible for employees to take their comments, questions or concerns directly to the boss. Subordinates often have more responsibility to conduct negotiations or close a deal. If you're meeting with a frontline sales rep, you don't necessarily need to involve his or her supervisor to seal the deal.

#### Don't do this:

- Use force. Easing your way into a company or into relations with a company takes time. Swedes are not so receptive to new thoughts/plans if they feel that they are being forced upon them.
- Boast or brag. Generally, Swedes are modest and avoid embellishing their accomplishments.
- Show disrespect. This may seem obvious, but it's important: understanding the Swedish culture and work ethic will mean that you respect your colleagues or business associates. Watch and listen to get the feel of the situation before you act.

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#### INVISIBLE CODES:

Stereotypically, Swedes do not feel that it's necessary to stand out in a crowd. The Swedish word *lagom* is not just a word. It's a concept that doesn't easily translate into English. Essentially, *lagom* means 'just right' or 'adequate' and can be used for just about anything. The *lagom* concept or mentality exists in Swedish business as well. Employees, and many employers, often focus on doing exactly what's needed and doing

it well, rather than doing unnecessary things. This concept can be frustrating for foreigners to understand sometimes.

The Swedish term *jantelagen* downplays the importance of individual accomplishments and also infuses Swedish business culture. "You can promote your business all you want, but if you start bragging too much, that won't impress anybody."

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#### ETHICS:

Sweden is one of the world's leading countries in corporate social responsibility (CSR). Issues such as climate change, gender, human rights and anti-corruption are all taken into account when doing business. Since the 1970s Sweden has been active and fast in reacting to the calls for CSR which nowadays is considered to be a crucial part of strategic planning in Swedish business life. Equality in the workplace and job security are of utmost importance, so unions work hard to assure that employees feel secure and unthreatened at work.

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#### COMMUNICATION:

Swedes are often very informal but display very little emotion in business dealings. When you are negotiating with a Swedish partner, make sure that you do not come across as being too emotional since showing too much emotion during a negotiation can be a mistake and create a bad impression. The use of humour is not common behaviour during the negotiations.

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#### GIFTS:

In business dealings, gifts are rarely given at the beginning of the relationship. Wait for your Swedish partner to give you a gift first. Although exchanging gifts is not common at the beginning of a business relationship, it is appropriate when you are closing your transaction.

Holiday cards are appropriate, particularly as a thank you for the recipient's business during the previous year, and these should be mailed in time to be received the week before Christmas. It is customary to exchange small gifts at Christmas among colleagues and business partners, too.

Sweden is one of the least corrupt countries in the world and there is very strong public opinion against all modes of corruption. Swedish law has included sanctions against any person receiving or giving any kind of bribe. This is good news for investors who want to set up a business in Sweden.

#### REPRESENTATION:

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##### AT A RESTAURANT:

Lunch is the most common mealtime for business negotiations in Sweden. Longer and socially more intimate dinners offer a good opportunity to get to know your business partners and to develop deeper



relationships. Most restaurants do not require a tie for men, although upscale ones expect both men and women to dress well.

Breakfast meetings are uncommon in Sweden as Swedes usually have breakfast at home with their families. Lunchtime is between 11.30 am and 1.30 pm and the Swedes normally spend one hour for lunch.

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#### IN THE HOME:

At social events gifts are expected. For instance, when you are invited to a dinner, flowers, liquor, wine, cake, or chocolates are appreciated. Family is very important to Swedes, so it is much appreciated if you bring small gifts for the family, e.g. candy for the children.

#### OTHER:

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#### COUNTRY AND PEOPLE:

Swedes are environmentally conscious and separate their garbage to facilitate recycling.

Sweden has very different climate, compared south to north. People living in the north will experience spring to arrive much later and autumn to arrive much sooner than those living in the south. There are different accents across the country and you may find Swedish sounding very different in different areas. Most people in Sweden speak English very well, as school start to educate English at low ages. As standard, foreign TV series are broadcasted with original language with at texted translation. However, you may find the older generation a little less comfortable speaking English.

When entering private homes, you normally take off your shoes and place them carefully in front of the vast shoe collection sorted in a practical two-level *skohylla* (shoe shelf) under the coat rack.

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#### CHALLENGES:

- To balance on the edge of plain & simple and professionalism when it comes to business contacts.
- To build trust. Keep promises and deadlines. Both spoken and formalized in documents.
- If you're not from Sweden you might not be aware of how animated and loud you can be in a conversation. Being loud and flamboyant is the quickest way to irritate the locals in Sweden and you might even be gently reprimanded if your voice carries over to the next table.
- Swedes value their personal space. Unless you're in a crowd, you should never stand too close to people, even the cashier in a shop.

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#### WHAT IS THE WORST THAT CAN HAPPEN:

If a Swedish person perceives you as arrogant, aggressive or overbearing it can lead to a no deal. Never pressure a Swede into making a quick decision. If you are in a hurry, please ask for a quick decision and

explain why. Be honest – if it is the boss pushing you to close the deal – let the Swede know, they will understand and do their best to accommodate you.

If you are not able to answer a question, ask to come back with the correct answer rather than guessing. Otherwise you may appear as unprofessional or in worst case – a liar.

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#### WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

When you show due respect, show that you have your facts straight, behave moderately, and stick to the Swedish “distancing rules” (not to close to the other person). You have a very good chance to succeed in making business with the Swedes. Honesty and trust are the keywords. People make business with people the like!

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#### INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

As mentioned above; honesty, respect and interest in your business counterpart will take you far. It is always a good idea to prepare yourself with information about the company you are dealing with, as well as some knowledge about political and social subjects that are high on the agenda at the moment.



**Interested in strengthening management capacity?**

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