

# Doing Business the American Way

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M31 - Netval

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# What is culture?

- A way in which a group of people solve problems (Trompenaars)
- Collective programming of the mind which distinguishes members of one human group from another (Hofstede)

# Did the Pedestrian Die?

- You are a passenger in a car driven by a close friend. He hits a pedestrian. You know your friend was going 35 mph where the speed limit was 20 mph. There are no witnesses.
- His lawyer says that if you testify under oath that your friend was driving 20 mph, he may be spared serious consequences.

Fons Trompenaars, Did the Pedestrian Die, 2003

# Your Choice

- Your friend has a **definite right** to expect you to testify in his favor (i.e., that he was driving 20 mph)
- He has **some right** to expect you to testify in his favor
- He has **no right** to expect you to testify in his favor.

# Dividing the spoils

For six weeks, you and three other people have been working on a special project. Now the four of you have been awarded a cash prize of \$20,000.

How should the money be distributed?

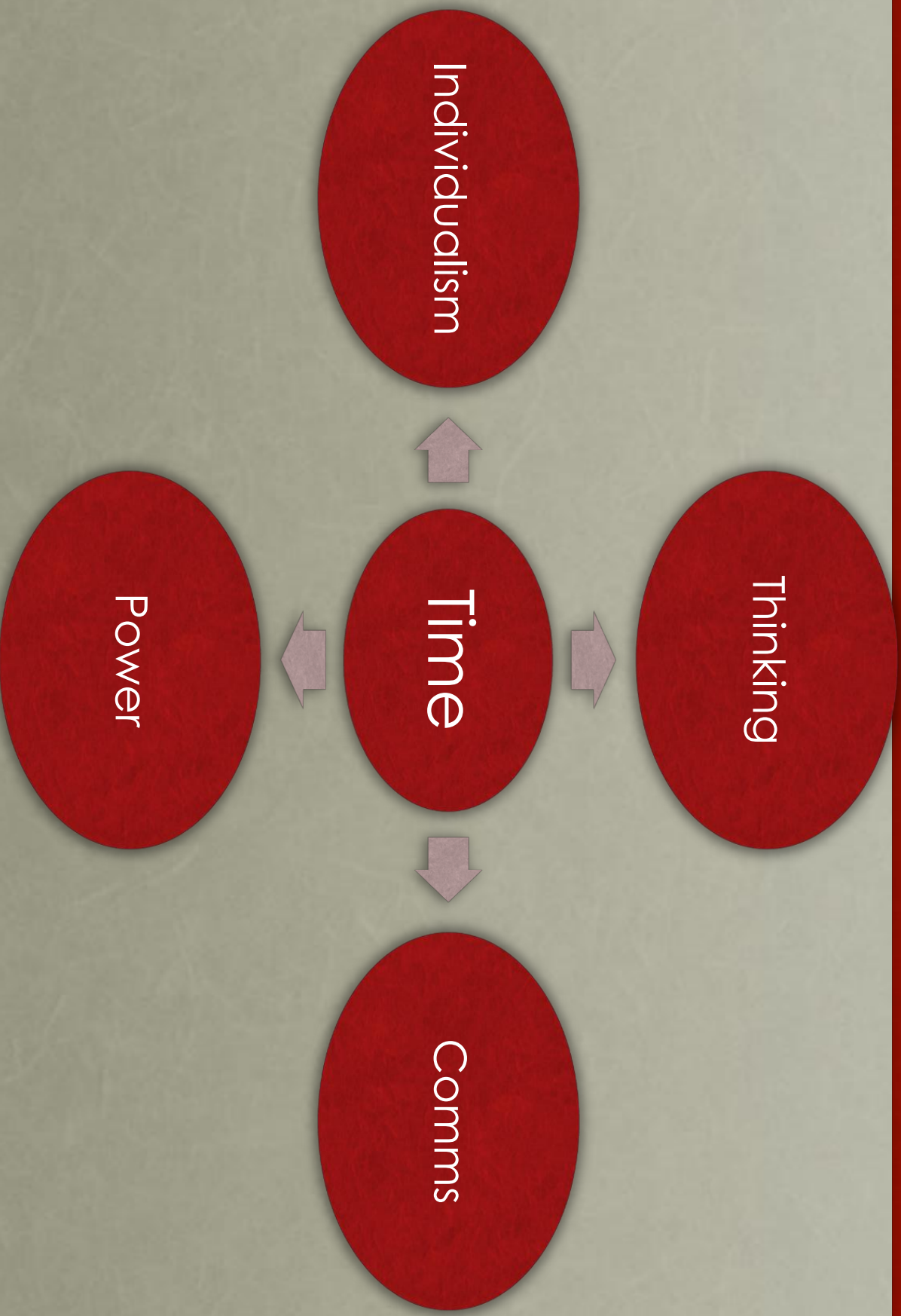
- A did 25% of the work
- B did 40% of the work
- C did 25% of the work
- D did 10% of the work

- A: \$ ...
- B: \$ ...
- C: \$ ...
- D: \$ ...

# Agenda

- Main cultural differences
- Presentations
- Meetings
- Networking
- Negotiations

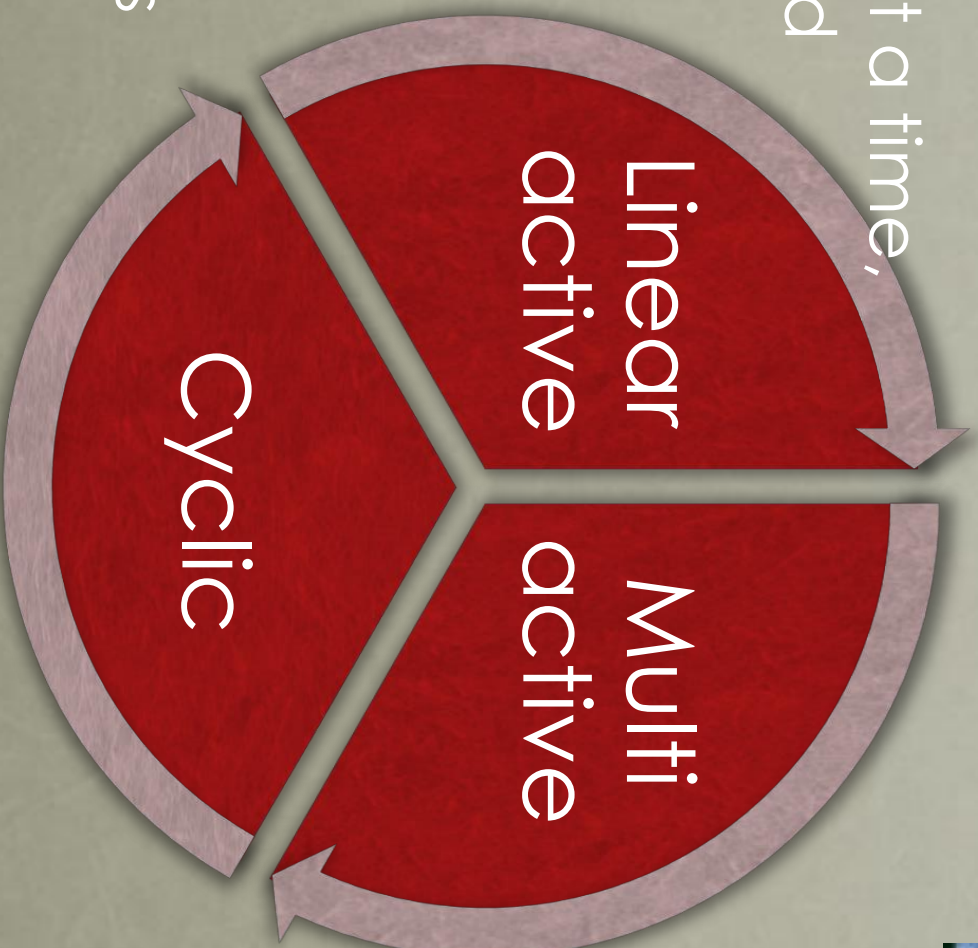
# Key Cultural Differences



# Time



One thing at a time,  
Task oriented



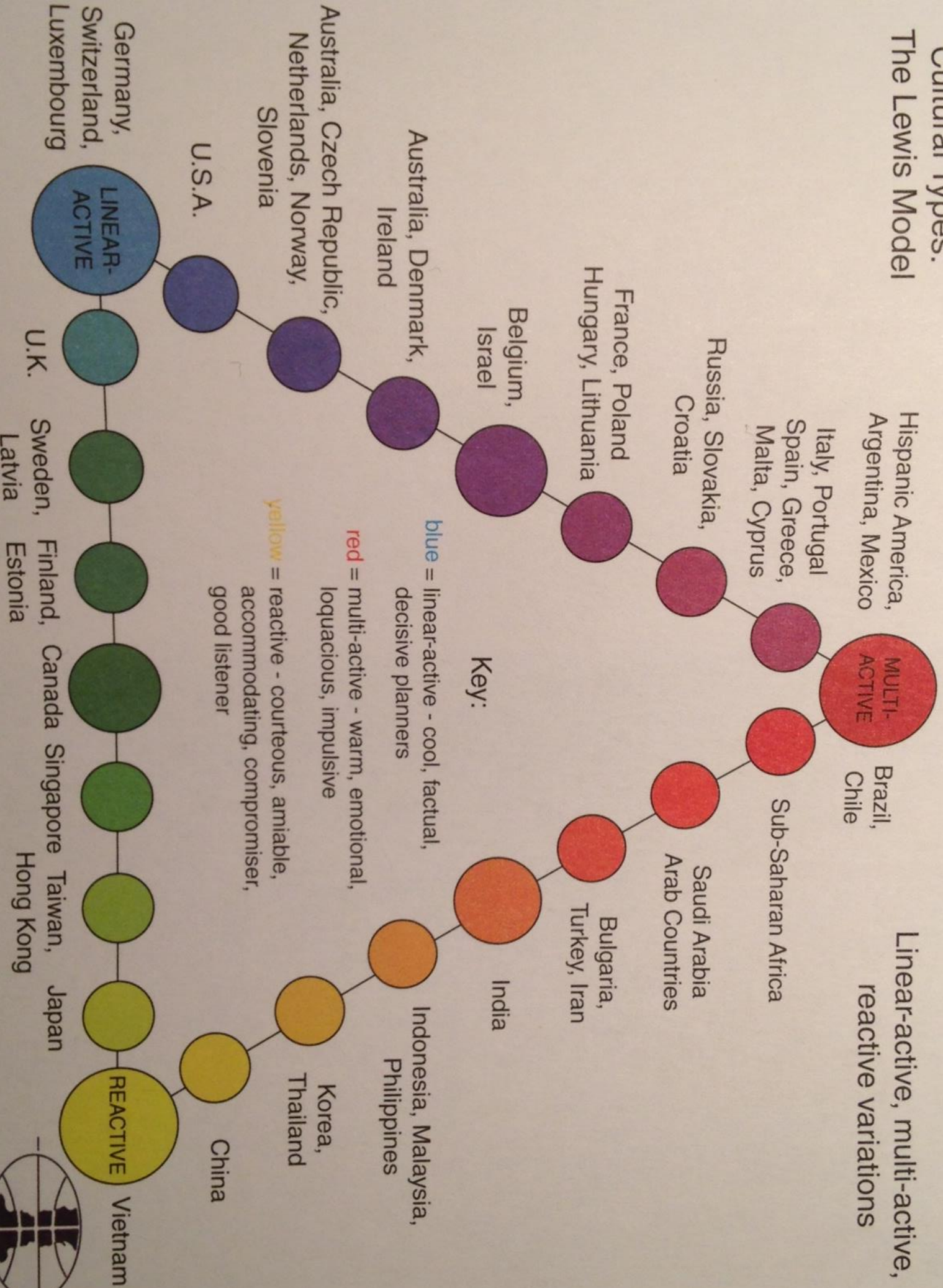
Multitasking,  
many  
commitments,  
relationships

Long-term  
outlook, things  
repeat

# The Lewis Model



# Cultural Types: The Lewis Model



# Thinking Patterns

## Inductive

Main Idea upfront

Get to the point

Solution

How

Simple

Future

## Deductive

Main idea at end

Premises

Problem

Why

Complex

Past



# Communication Patterns

## Low Context

- Explicit
- Direct
- Informal
- Transactions

## High Context

- Implicit
- Indirect
- Informal
- Relationships

# Cultures in context



Scandinavia  
Germany  
Switzerland  
USA

Greece Spain  
France Italy  
UK

Japan China  
Latin America  
Middle east

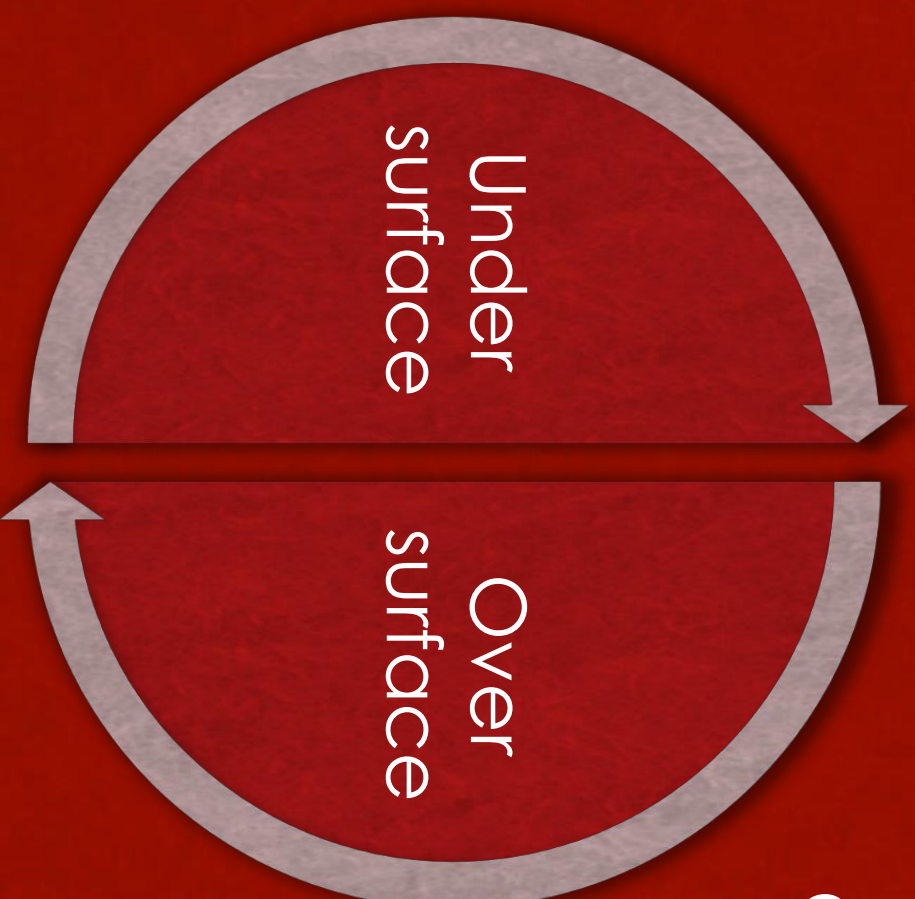
# Feedback

The sandwich approach



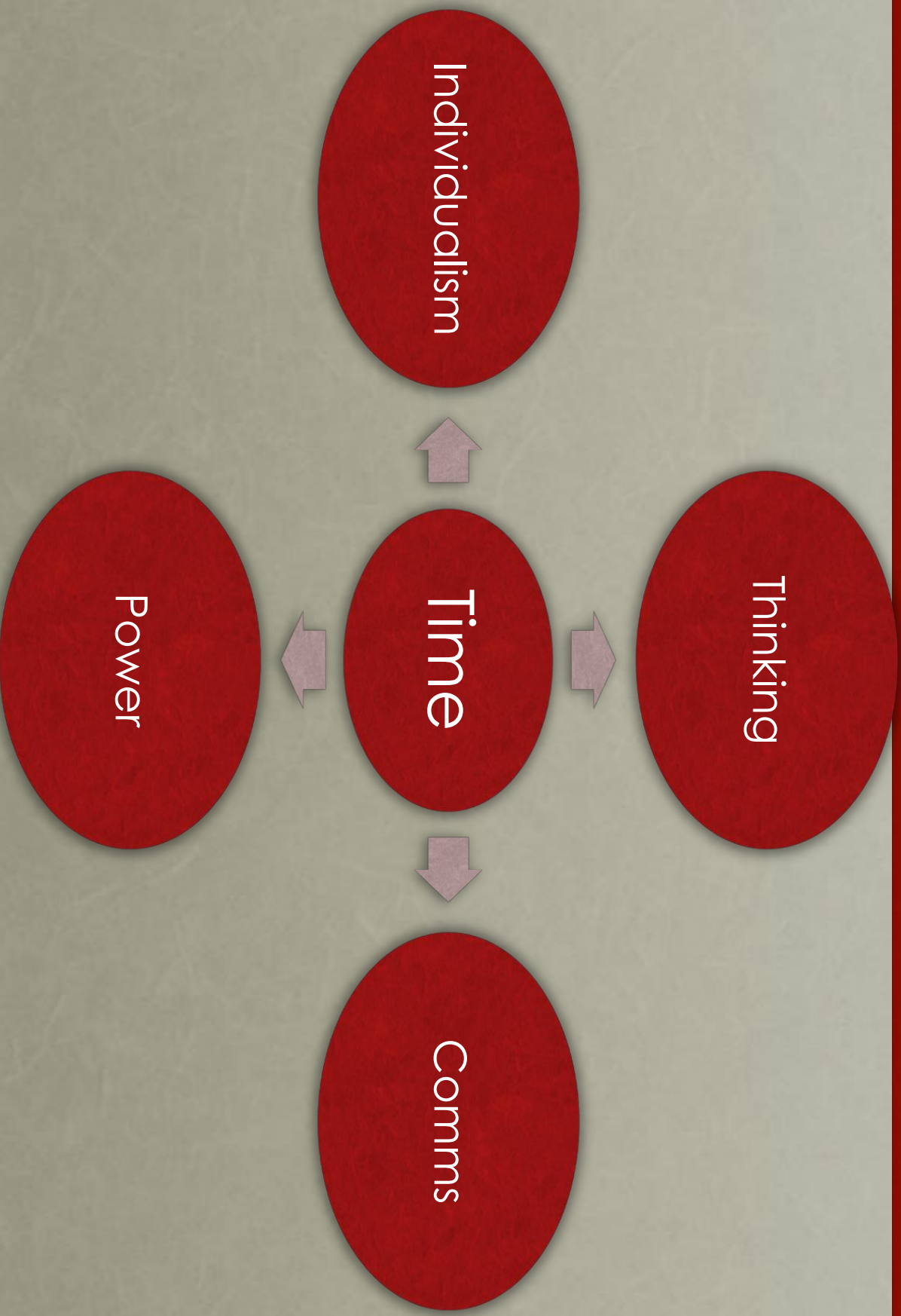
# Power

Titles  
Rank  
Visible status  
Cool



Merit  
Promotions  
Low key status  
Warm

# Key Cultural Differences



# US BUSINESS CULTURE



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# Presentation: American Approach

- Solutions over problems
- Main points at beginning
- Brevity vs. eloquence
- Clarity vs. complex vocabulary

# One Approach

- Guy Kawasaki Presentation rules
- 10-20-30
- <http://www.youtube.com/watch?v=liQLdRk0Ziw&feature=related>

# SPEAKER'S STYLE AFFECTS AUDIENCE MEMORY

Passive: 10%



Expressive: 50%



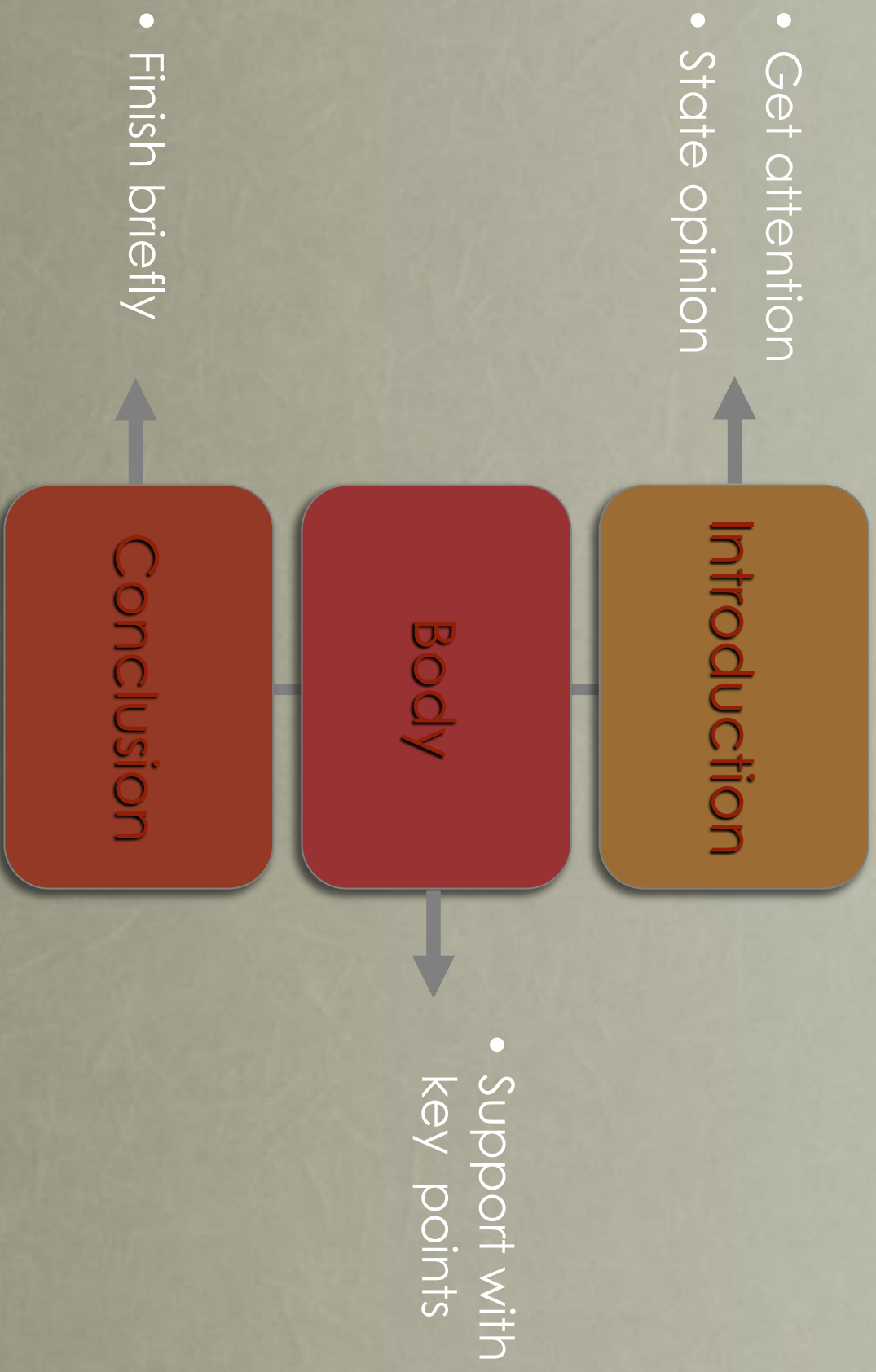
Involving: 70%



# Q&As

- Q&As are good!
- It's about the issue – no personal offence
- Answer Qs directly
- Stand up for your POV
- Avoid being defensive

# Presentation Structure



# Are accents important?

One quality that's a really bad indication is a CEO with a strong foreign accent. I'm not sure why. It could be that there are a bunch of subtle things entrepreneurs have to communicate and can't if you have a strong accent. Or, it could be that anyone with half a brain would realize you're going to be more successful if you speak idiomatic English, so they must just be clueless if they haven't gotten rid of their strong accent. I just know it's a strong pattern we've seen.

*Paul Graham, Founder of Y Combinator*

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# What does a meeting really look like?



# Elements of successful meetings

Scheduling

Agenda

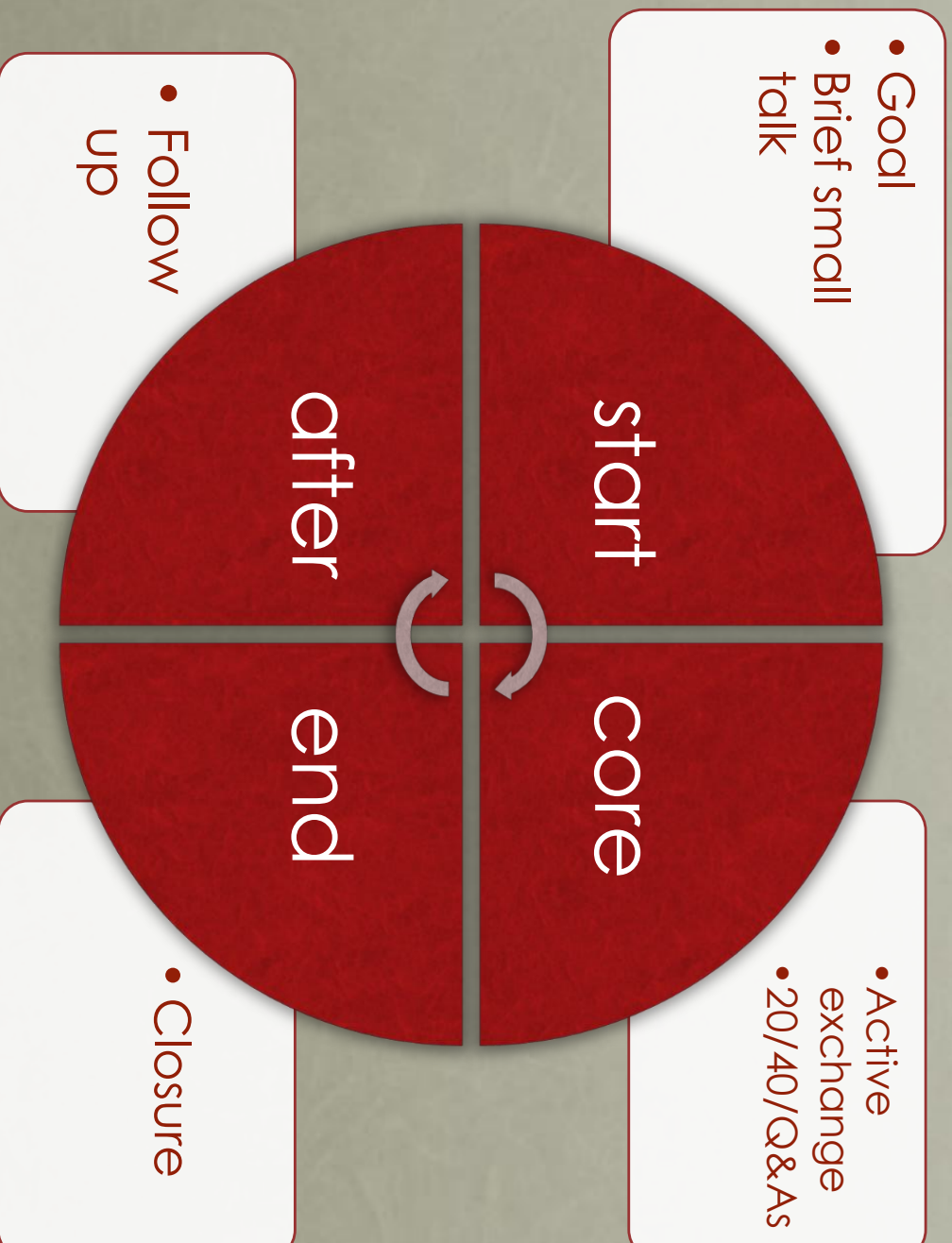
Meeting  
roles

Active  
participation

Managing  
conflict

Getting  
Buy-in

# Meeting management



# Conflict in meetings



## Don'ts

I don't agree with  
that!  
That doesn't make  
sense!

## Dos

I am not sure I agree ...  
I am not comfortable  
with that ...  
I am confused ...

# Email & phone

- Brief & to the point – no small talk
- Who you are
- Why are you calling
- What you need/want/suggest
- Reach agreement
- Thank & restate agreement



SEND

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# Networking

- By choice or by chance?
- Short vs long-term?
- Formal or informal?
- Expectations? Follow up?
- Topics?

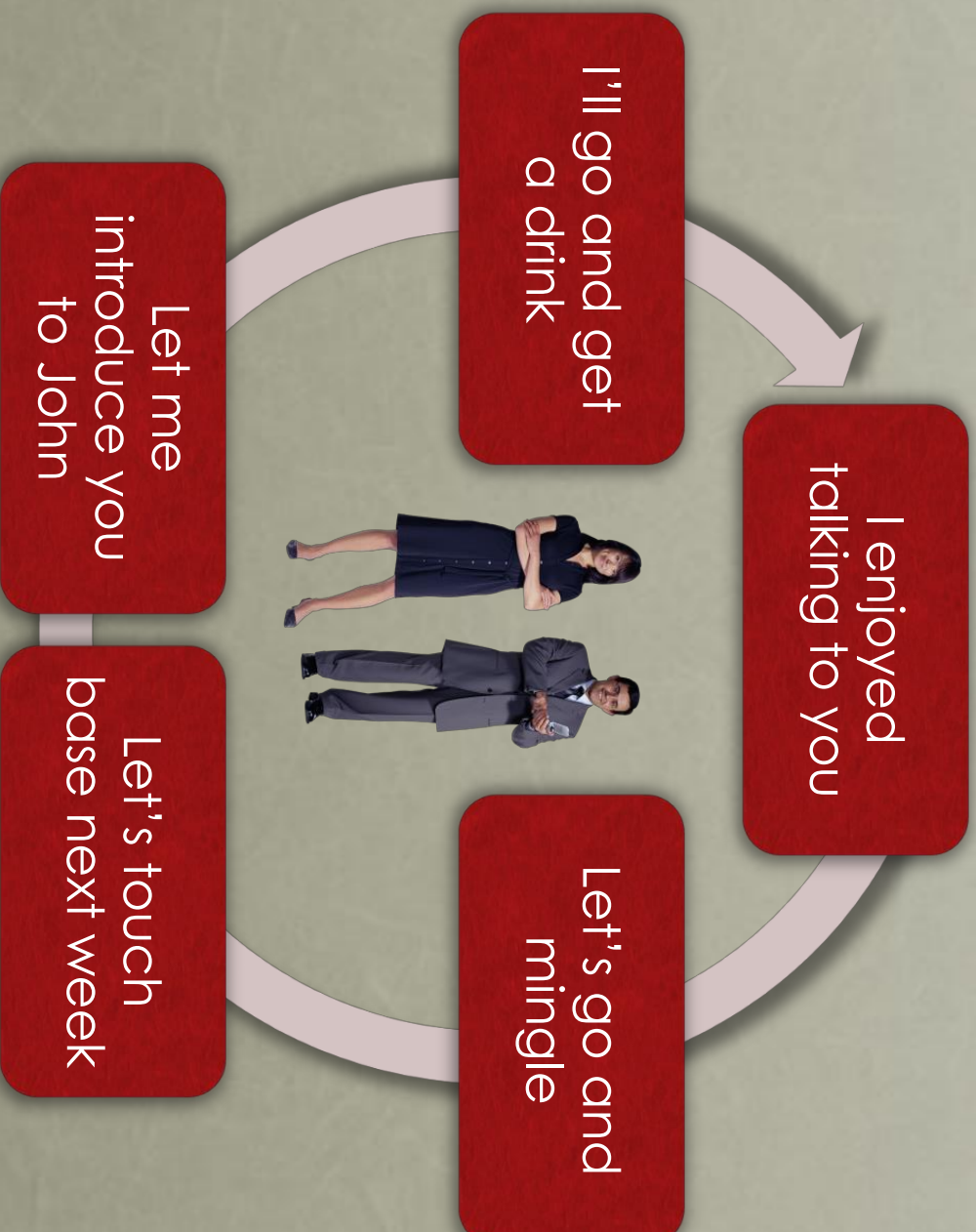


# Topics for conversation



- movies
- weather
- hobbies
- current events
- food
- travel
- sports

# Useful lines



# Establish an Online Presence

Social media



Website – in English!

# Exercise!

Develop your  
pitch and  
write it down

- Specific for event

Name,  
profession,  
connection  
to event

- 15 – 30 sec

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# Top 10 Negotiation pitfalls

Goal	Contract ↔ Relationship
Personal Styles	Informal ↔ Formal
Communication	Direct ↔ Indirect
Time sensitivity	High ↔ Low
Emotionalism	Low ↔ High

# Top 10 Negotiation pitfalls

Agreement	Specific ↔ General
Decision making	Bottom Up ↔ Top down
	↔
Attitude	Win/Lose ↔ Win/Win
Risk taking	High Low

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# Business/Cultural Misunderstandings

**A** Your experience

**B** What happened?

What was your role?

What reaction did you get?

**C** Why did this happen?

**D** How could you handle this situation differently next time?



## Self-assessment: discovering your cultural preference

Relationships						
<b>Individualist</b>						<b>Group oriented</b>
My first duty should be to myself						My duty should be to the group I belong to
5	4	3	2	1	0	1 2 3 4 5 disagree agree
<b>Acquired status</b>						<b>Given status</b>
People should be judged on what they do, not who they are						Factors such as family, class, education, age, gender should also be considered
5	4	3	2	1	0	1 2 3 4 5
<b>Tasks</b>						<b>Relationships</b>
Focus on business first and then personal relationships						Focus on personal relationships to do business
5	4	3	2	1	0	1 2 3 4 5
<b>Power</b>						
<b>Flat hierarchy</b>						<b>Vertical hierarchy</b>
Leaders should share power						Leaders should hold power
5	4	3	2	1	0	1 2 3 4 5
<b>Space</b>						
<b>Physically distant</b>						<b>Physically close</b>
Prefer people not to come too close						Physical closeness is reassuring
5	4	3	2	1	0	1 2 3 4 5
<b>Communication</b>						
<b>Low context</b>						<b>High context</b>
Business-related communications need to be frank, explicit and direct						Business-related communications need to be diplomatic, implicit and indirect.
5	4	3	2	1	0	1 2 3 4 5
<b>Spoken – informal</b>						<b>Written - formal</b>
For serious issues I prefer the spoken word						For serious issues I prefer the written word
5	4	3	2	1	0	1 2 3 4 5