

Doing Business in Europe: Not the Challenges You Think

If you plan to do sell your product or service in Europe the problems you encounter may not be the ones you expect. It's easy to focus on perceived difficulties, such as the so-called "language barrier", while not noticing the real pitfalls - until it's too late. I learned three lessons the hard way: appreciate the different cultures, understand the value of quality vs. speed, and know which foreign language is key to your business.

If you hope to compete with local firms in Europe you must understand European business cultures. Notice the use of the word of the word "cultures" - plural. When I first started doing business in Europe, three years ago, one of the first things I learned was that the European business environment is much more diverse than in the States. Despite the introduction of the single currency, Europe is not a single business entity. Different countries retain different ways of doing things. Like many Americans doing business in Europe for the first time, I learned this the hard way. After a number of awkward meetings and deals that mysteriously didn't go through I began to understand that it was a bad idea to deal with Europeans like I dealt with people back home.

The American business model prevails in northern Europe - with the UK and possibly Germany representing the nearest thing Europe has to a US-style approach. Businesses in former Easter Bloc countries that have recently joined the EU are also very US-friendly. During the Soviet years America represented freedom; American business can now reap the rewards of that iconic status.

The rest of "old Europe" is a little different and you should be aware of each country's customs. Italy, for example, retains a way of doing business that might seem bureaucratic and patriarchal to Americans. Even Silvio Berlusconi - a good friend of US business - is known as "Papa" Berlusconi in some Italian circles. In France, a history of civil libertarianism twinned with state control that stretches back to the revolution of 1789 has nurtured a business culture that favors consensus rather than individual leadership. It's important to do your research - not only on a country's business structures but also on its general culture and history. It's even more important to get to know the people. If you travel to Madrid to cut a deal having never before set foot in Spain you are at a disadvantage.

Business people in old Europe have slightly different perceptions of what constitutes good practice from their US counterparts. Although it would be patronizing to say that a ma??ana culture persists in southern European business, it is true that timeliness is not considered a virtue in the way it is in the States. For European business people, providing a quality product or service is much more important than adhering slavishly to deadlines or driving the hardest possible bargain. Because of this difference in values, Europeans often perceive Americans as being "pushy" - when the Americans in question think they're simply being businesslike.

When I first came to Europe I thought that the most important thing was to learn languages - I was wrong. Most European business people accept English as the lingua franca of international business. However, you don't want to risk seeming ignorant. A reasonable level of conversational French or German, for example, will come in useful. I have found that many Europeans have a prejudice about perceived American ignorance of the outside world. Showing a little linguistic skill - and, more important, willingness - will be to your advantage.

My experience is that knowing the local language is particularly useful in France. The French have traditionally been very

protective of their mother tongue. Today, many native speakers consider French to be in a state of crisis, attacked on all sides by international English - so your French hosts will warm to you quickly if you seem keen to speak it to them. Again, showing you are willing to try is more important than being fluent.

Even so, skills learned in language classes back home are useless unless basic cultural differences are understood. Once again, do your research: time talking to locals or reading about European culture and history will be well spent. Knowing a little history is especially important if you're working in Greece or any of the nearby EU satellite states in the Balkans. Educated people there will often talk about events of a millennium past as if they happened yesterday. There is a perception all over Europe that Americans follow Henry Ford's maxim "history is bunk" - I made friends quickly when I disproved this prejudice.

The good news is that Europeans are more like us than they are different: the general cultures of both continents respects business and promotes honest dealing - but it's important not to let the small differences cost you money.

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