The Russian View

What are the common stereotypes that Russians and Germans have of each other?

Many stereotypes have not changed much since the 19th century. Russians tend to have a more positive view of Germans than vice versa. Typically, Russians think Germans are precise, pedantic, hard-working, disciplined, reliable and honest. However, they also see Germans as somewhat reserved, arrogant, inflexible and as tending to feel that they are superior. Typical views Germans have of Russians are that they are warm-hearted, open and hospitable, but passive, lazy, resigned to what happens around them and prepared to tolerate anything.

How would you describe the management structure and style in Russia?

This depends on what sort of Russian company you are talking about. It is important to differentiate between the former state-run companies that have now been privatized and the new, market-oriented, Western-style firms. The former state-run enterprises still have bureaucratic, hierarchical structures and a vertical chain of command, with a strong concentration of power at the top. The general director is the boss; he is responsible for major decisions, and is much more involved in the daily running of the business than his counterpart in the West. He has probably been with the company for a long time and knows everything about it. In these companies, there are not a lot of middle managers and before decisions are made, many people will be consulted; this consultation takes place in personal one-on-one discussions rather than in formal meetings, and aims to build a consensus before the decision is made. But decision-making is rarely delegated to staff at a lower level.

Western managers who work with former state enterprises are advised to be careful; balance sheets should be looked at critically and figures checked. Planning tends to be for the short and medium term rather than the long term.

What are the most important values in such companies?

In these companies, the idea of the "collective" lives on in the workplace. Cooperation and trust are valued more highly than competition and individual achievement. Although things are changing, in some of the larger firms there is still a strong identification with the company, which is expected to provide health and recreation services and childcare facilities.

When recruiting new staff, friends and relatives are often preferred, because reliability is more important than competence. Also, respect is gained from length of service to the company. This, together with the fact that people don't change jobs simply to further their careers, means that it can be particularly difficult for managers new to a company to get established.

What about the style of meetings?

Formal departmental meetings follow a strict agenda and are mainly concerned with establishing the authority of the management, giving instructions and coordinating work processes. The main role of such meetings is the implementation of decisions and checking of progress rather than decision making and planning. Especially in the former state-owned enterprises, the information flow is restricted. Minutes often report on the progress of meetings rather than the results. To foreigners, the minutes can seem to be vague, repetitive and far too detailed.

How would you describe the typical Russian negotiator?

It is important to differentiate between the older negotiators (those over about 40) and the younger ones, who have been more influenced by the West. The older business people who are involved in negotiations with foreign companies may in the past have been foreign trade representatives. On the other hand, they may have had very little contact with foreign business people. The popular, business-like, Western image of the Russian as a hard-drinking, tough negotiator does not always apply to the insecure ex-Soviet business person with limited foreign contact. Nor does it apply to the sophisticated, western business graduate, who has studied abroad or at one of the increasing number of Western-style business schools within Russia.

It is important not to underestimate the people in this last group: they may have an extremely high level of education as well as excellent knowledge of foreign languages, particularly English. Another group to be aware of is the people who have come from universities, who are highly educated and have gone into business to survive, but who are basically deeply sceptical of the business world.

Tips for business trips to Russia

- Respect Russian national pride and avoid criticizing any aspect of the country, such as the mafia or corruption.
- Stress your positive experiences and taking an interest in the country's cultural life will help you to build relationships.
- Where possible, accept invitations to social events, as they are essential to building relationships.
- Be punctual even if your business partners sometimes aren't.
- For important meetings, use an interpreter. Be careful with interpreters provided by your business partners, as they may not always represent your interests. Ideally, learn enough Russian to know what is going on at meetings.
- Make sure that the results of meetings are clearly documented (in Russian and English or German).
- Some foreigners worry about how to avoid drinking large amounts of vodka when invited to a restaurant or bar. You might wish to say that you can't drink for medical reasons or because you are driving. If you feel you must drink, it's a good idea to eat plenty of fatty foods beforehand.

How important are the Russian authorities in negotiations?

Business people from the West are often surprised to see representatives from various authorities present at negotiations. It is important to realize that they can often have a decisive influence on the success of negotiations. Their support may be essential if an agreement is to be reached. Foreign business people are advised to have direct contact with all relevant authorities as early as possible; only then will they have any chance of being successful.

What other factors are important?

It is particularly important to create a positive atmosphere and to realize that personal and social relations tend to be more important than in Germany. Purely business-related interaction is generally not enough. Deciding who the key players are in a large Russian negotiating team is often difficult for outsiders. Make sure that you contact the highest-ranking person as soon as you can and arrange a face-to-face meeting.

In negotiations, Russian business partners often show more emotion than is usual in Western European countries. Also, it is essential for foreigners not to appear arrogant. One way to do this is to acknowledge the strengths of your business partners in public. Also, make sure that you don't express your doubts about a proposal in a way that might possibly lead to any sort of loss of face for your Russian business partners.

Some Westerners make the mistake of trying to negotiate exclusively in English. It is better to use Russian and to get an interpreter to support you during meetings. Correspondence should also be in Russian as well as English or German.

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