Good morning. Thank you Dr. Lucks for your kind introduction.

Before I begin my topic, I’d like to explain what a cross-cultural consultant exactly does. It’s a person who makes people aware of their own value system and assumptions by comparing them to other cultures. As oppose to an accountant or production manager who deals with so-called „hard” factors, the cross-cultural consultant works with cultural and organizational behaviors, what is called the „soft” factors. And these “soft factors” more often than not explain the success or failure of an international merger. A study done about five years ago analyzed the reasons why international joint ventures often failed. Quite surprisingly, only 30% of the failures were attributed to problems of planning, technology, finance, etc. — the so-called „hard” issues of business. Fully 7 out of every 10 failures were directly traceable to the behavior patterns of those in management positions.

Today, I wish to talk about one of these soft factors — communication styles. Being that my specialty is German-American business relations, my presentation will concentrate on how Americans and German communication styles can affect an international merger or acquisition. The principles that you will hear throughout my talk, however, aren’t just applicable to the United States and Germany — they can be applied to any international merger.

Because of time limitations, my objective is to briefly demonstrate that American and German communication styles are distinctly different and culturally determined. I’ll do this by first discussing concept of communication, then go on to the importance of knowing yourself, after that how good intentions in communications often lead to misunderstandings and finally the actual differences in German and American language use. If you understand these differences, it invariably leads to better communications and creates a greater chance for successful mergers or acquisitions.

Now, whenever I state there are major differences between American and German communication styles, my experience has been, people are just somewhat surprised by my statement and outright skeptical.

One intelligent German executive, who had been to the US many times, felt that I was making a mountain out of a molehill. He told me that Germans had many of the same cultural characteristics as Americans and He argued that both countries had a strong Anglo-Saxon background and tended to view most things in a direct, monochronic manner. Monochronic, meaning, doing one thing at a time. The two business cultures placed a high value on being punctual, direct and honest. Both were future-oriented, competitive and practical. And most Germans (especially those in management positions) spoke English well, if not extremely well. After listing these attributes, he asked a simple question:
What is so difficult about communicating with the Americans when we the Germans can speak the same language and share many of their values?
Ladies and gentlemen, this executive had fallen prey to the most typical mistake in U.S.-German business relations — the “trap of similarity”. American and German cultures look so similar on the surface that we assume both sides expect the other side to think and behave similarly in all instances. But underneath that surface of similarity lie many subtle differences. Their effect is all the more damaging because they are not expected. If a person or group is not made aware of the different values and assumptions in the other culture, experience after experience shows that misunderstandings are guaranteed.

To make this point clear, let me give a simple example that many of you in the audience will identify with.

Let’s assume you’re a German, on a business trip from Frankfurt to New York. Seated next to you is an American, we’ll call Bob. Because you speak English well, you’re able to converse with him during the trip. Since you get along well, Bob introduces you to his wife, who’s waiting at the airport. He says: “Honey, I’d like you to meet my good friend Hans.” You, as a German, are surprised by the words “my good friend”. Bob, for you, is just an acquaintance. On the other hand, Bob uses the expression “friend” in the American way and is surprised when Hans seems uncomfortable. This is not only north American informality clashing with German conventional behavior, but also different interpretations of the word ‘friend’ and ‘Freund’. This is the source of cultural mishaps. The point to be made here is when no intercultural training is done on how people communicate and interpret messages, confusing and sometimes expensive conflicts can occur.

To understand better why Bob and Hans misunderstood each other, we need to examine the term communication. How would you define it? “It’s a process by which two or more individuals ‘try’ to exchange or share a set of ideas. It’s a means of coming together, to create commonality. And intercultural communication? It’s the same process, but done by two or more individuals who do not share the same values or beliefs. The Chinese philosopher Confucius once said: “By nature men are all alike — by practice they have become far apart.” What he means is that the human heart is the same all over the world, but our habits, expectations and behavior are shaped by cultural conditioning. That alone makes the communication process much more difficult and challenging than we think.

Because we are all culturally conditioned, one could say our mind functions on automatic pilot. That is to say— when you are in your home environment, almost all of your movements and thoughts are made subconsciously, intuitively. But the moment you’re in a foreign environment, your automatic pilot has problems finding its bearings. It’s at this point that most of us turn off our automatic pilot and try to observe closely the new culture.

However, when we discover that our foreign counterpart can speak the same language, we unconsciously turn the automatic pilot back on and continue on as if nothing was different. There is nothing wrong with that as long as the situation is non-controversial and the agenda is smooth. An example would be a German in New York city asking how to get to 5th Avenue. It’s relatively straightforward. Few obstacles arise. Real problems begin, such as when Bob starts calling Hans “my good friend”. When we start receiving these confusing signals, we abandon our neutrality and start perceiving the others from our culturally conditioned point of view, leading to communication misunderstandings.
So then, how can you overcome misunderstandings? The most common solution people take is to learn about the new culture, usually through books or by asking people who’ve been there. Curiously enough though, learning about others is not the most important factor for avoiding intercultural mishaps. What people need most when dealing with foreigners is a better understanding of themselves and their own cultural background. This is a cardinal rule in cross-cultural relations.

And this becomes apparent when you arrive in a foreign country for the first time. Nothing is more startling than to realize that your taste in food, your work habits, your preferences for leisure, even your outlook on life depend on values learned in your home environment. Your personality is carrying “cultural baggage” that you’ve accumulated during your lifetime. Only by becoming aware of the values and assumptions in your “cultural baggage” will it be possible to perceive and comprehend the “foreign” behavior objectively. The training of psychoanalysts and psychiatrists is based on this principle. Before these people can begin their practice, they themselves have to undergo two or three years of psychoanalysis so that they understand their own “inner psychology”. If they don’t do this, they risk projecting their unconscious values on to their patients, leading to sometimes false diagnosis.

So how do we become aware of our “cultural baggage”? The first thing one must do is to think about how human nature instinctively works when we’re in a foreign culture. When we feel we are not understood and the communication process seems to have broken down, our cultural identity prompts us to automatically build up barricades — us vs. them.

To try to break down these cultural barriers, many sensitive and intelligent people think they should create a situation where it is “us with them”. “If I have good intentions, everything will work out”. This is all fine and dandy, but doesn’t necessarily lead to better communications. Most people forget that effective communication is a two-way process, involving not only the communicative skills of the presenter, but more importantly, releasing positive responses in the receiver’s mind. The advertising industry works according to this principle.

Let me give you a case of good intentions that led to serious misunderstandings. When Daimler-Benz and Chrysler merged in 1998, the two companies announced they would hold joint board meetings. At the first encounter, it was decided that each company would present itself. Both sides wanted to make a good impression to their counterpart. However, each had radically different ideas on what constituted a good presentation. The Germans began with a long introductory statement, the history of the company, its model range, future prospects and all this with lots of detailed background information and transparencies. The presenters tended to have a rigid body posture, speaking in a deadpan voice for almost 2 hours. The Americans, on the other hand, got straight to the point about Chrysler, basically talking only about their model range with lots of showy’s effects and easy to remember statements. Their body language was more that of an over enthusiastic salesman. It was about 25 minutes long. Both sides sincerely believed that they were communicating well. Yet it quickly became apparent these different communication styles weren’t working when Chrysler’s former CEO Robert Eaton, told a journalist from the Stuttgarter Zeitung his impressions of German board meetings. He said: “The Germans have a penchant for coming to all meetings armed with tons of overhead transparencies and colored charts. It’s an absolute information overkill.” This example illustrates that the single greatest barrier to business success and communication in a foreign country is that erected by culture, not by language.

With all this in mind, many of you might be asking if is there any hope of improving my intercultural communication skills? Yes, there are many ways. One is to understand how your cultural values affect your communication style and how it differs from others. Back in the late 80s and early 90s
American and German linguistic experts systematically analyze how each culture communicated and their results are well known among intercultural specialists.

German business conversation places strong emphasis on content and downplays the personal or private aspect. Their unconscious desire is to appear credible and objective, which tends to make their conversation fact-oriented and somewhat academic. The basic objective of German communication is to get at the truth. (Wahrheitssuche). Americans, on the other hand, accentuate the personal as well as the business agenda; they unconsciously want to be liked and socially accepted. They are generally more outer-directed, that is they are guided less by inner values than by the opinion of others.

This contrast between the German need for credibility and the American need for likeability affects language usage. On this slide, we can clearly note how German and Americans have different perceptions of directness. Because Germans value frankness, they are not afraid to explore all sides of an issue, even if it means being unpleasant, confrontational, hurting other people’s feelings. Germans are generally more direct than Americans, especially when it comes to stating facts, offering criticism and giving orders. Outside observers often remark that Germans inform people, but they don’t communicate, leading to the perception of them as being opinionated, blunt and know-it-alls.

Americans have a completely different conception of directness. Because they value being liked, they are more direct than Germans when it comes to expressing pleasure, revealing personal details to people they don’t know well or giving compliments and praise. This is also strongly related to the American tradition of upward mobility, making social acceptance primordial. The French aristocrat Alexis de Tocqueville in his 1835 classic „Democracy in America“ wrote in his observations: “In dealing with strangers, Americans seem to be impatient with the slightest criticism and insatiable for praise.” Almost a hundred and seventy years later, this trait is still strongly embedded in American culture. In the end, foreigners tend to perceive the Americans as naïve and appear at times as silly.

Additionally, Germans make more use of upgraders, such as bestimmt, absolut, durchaus, völlig to reinforce the intensity of their statement. A German would say, “Das war absolut unverschämt”. Americans, on the other hand, tend to apply more downgraders to make their sentences weaker and less definite. Examples are sort of, kind of, well, maybe, somewhat. Thus, a typical statement from an American would be “Well, it’s sort of bad”.

Another common German verbal habit is the use of the modal verbs müssen and sollen, used differently and more frequently than Americans do, which can make their style seem stronger and less diplomatic. Thus, a German would not think it odd to say, “Das muss so sein”, where an American might express this opinion more diplomatically, using the conditional as “It would be good if we could do it that way.” Similarly, Germans tend to use direct imperative more frequently than do Americans; for example, in a restaurant a customer might simply “Bringen Sie uns zwei Bier, bitte”, whereas an American might use a question format instead: “Could we have two glasses of beer please?”

Taken together, these verbal habits can create the impression that Germans are overly confrontational speakers who are not very concerned with the image they are creating. Likewise, Americans tend to appear as always smiling and not willing to deal with real problems. These are false perceptions. All communication has a component of image management, and German and Americans are no exceptions. Germans are very concerned about what they present during a conversation, but the positive images they aspire to be somewhat different from those Americans try to create.
Misperceptions are bound to happen if these different styles are not understood. Germans tend to interpret the general openness and friendly style of Americans with the openness and warmth Germans associate with the *du* relationships with friends and family. And when they discover that most Americans are just being friendly in the way typical of their communication style and do not want a deeper friendship, Germans tend to stereotype Americans as “superficial.”

On the other hand, if the German is aware that use of first names and a friendly approach are just the American social style, they then tend to remain in their *Sie* mode, i.e. being very reserved. Americans often interpret this behavior as cold, distant and at times arrogant, leading them to perceive Germans in terms of negative stereotypes.

Although the time allotted has been very short, I hope my talk has provided you with a short insight on why understanding difference communication patterns is the key to good intercultural relations. As we all know, your success abroad depends largely how you can build up private and business relations. A good understanding of your communication styles and of others will create confidence and reduces the probability of problems when an international merger is being created.

And with that closing note, I wish to end my talk with this quotation from Jawaharlal Nehru’s text *Visit to America*. His ideas, I believe, well summarize what one needs in order to understand others.

**Understanding Others**

“To understand a particular group of people, one should try to enter, as much as possible, into the historical and cultural context of these people and the country they live in.....Now, this is not easy. There is something confusing in all this: a particular incident, which seems obvious to us, is not perceived by the others as the same.....To rid oneself of the frustration one feels, it is just enough to think.....that the other one has not received the same conditioning as we have and he can not escape his own conditioning. Whatever the future holds for us, each group of people, each country is different from the others.....by its ways of observing things, of living and thinking. In order to understand the others, we should use their language, whenever it is possible. I wish to say: not only the totality of the words that form their language, but also the language of their spirit and their heart. It is an absolute necessity. This doesn’t consist of only appealing to logic and reason. It consists of an emotional opening to the others.”

*Jawaharlal Nehru, Visit to America*

I thank you for your attention.