

## Understanding American and German Business Cultures



Book review by [www.dialogin.com](http://www.dialogin.com) member James R. Chamberlain

*In just seven chapters, this little book effectively zeroes in on the facts, cultural backgrounds and behaviors that both American and German business people need to understand each other. It is an excellent distillation of historical, psychological, business, and of course, cultural information – the book reminded me of the excellent lecture notes (though completely written out in a reader-friendly style) of an ace student of intercultural business communication; it is a compendium of all the information I would like my trainees to remember and take with them – a virtual trainees' handbook, true to its own subtitle, *A Manager's Guide to the Cultural Context in which American and German Companies Operate*.*

Schmidt begins with a culture-general approach, touching on the concept of culture in Chapter 1. Here he introduces the theoretical frameworks of E. T. Hall and Geert Hofstede, which he later uses to highlight the differences between American and German business practices.

He swiftly moves to the culture-specific arena in Chapter 2, entitled “The Psychology of Germans and Americans.” This is in no way as glib as it sounds, for Schmidt takes great care to illustrate the historical origins and development of both the German and the American national characters, often drawing on those telltale markers of living culture, traditions and proverbs.

Schmidt narrows his focus in Chapter 3, where he discusses the specific cultural differences between the American and the German business worlds. This provides the needed background for his delving into the micro-level of business behavior, which constitutes the remaining chapters, covering such areas as business meetings, corporate (and of course interpersonal) communication, lawsuits and ethics.

The book is rounded off by an appendix of cross-cultural case studies (which I feel need considerable fleshing out on the part of the trainer to be usable), and reports on two very useful studies of German-American business interaction: Sylvia Schroll-Machl's analysis of the process of problem-solving in joint German-American teams, and what I take to be Susanne Zaninelli's work on German vs. American communication styles.

What makes this book so highly useful is Schmidt's contrast culture approach. This renders the important cultural differences between these (business) peoples salient and immediately graspable. For example, in discussing the psychology of Germans and Americans, he contrasts the German penchant for modesty with the continual American search for status, the German concept of “solide Ausbildung” with the American preference for “learning by doing.”

In the business world he compares, among many other examples, German in-house development of managers vs. the American use of “hired guns.” Schmidt also provides a very useful comparison between

the concepts of management and of the manager in Germany and the US, itself a source of many misunderstandings.

This contrastive method, coupled with Schmidt's historical analyses showing how and why these cultures differ, and delivered in a style that is both straightforward and careful to be fair, make this little book ideal travel reading for the American or the German business person (it is available in both languages). Trainers will profit, too, by Schmidt's generous sharing of illuminating facts and pithy, memorable comparisons, such as (my favorite) "an American boss criticizes by not praising and a German boss praises by not criticizing."

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