

Introduction

The following report is an assessment of the recent interaction between Alpha Products and their potential clients in Venezuela. This report reviews traditional aspects of Venezuelan culture, the inherent differences between individualistic/collective cultures and low- and high-context cultures, and provides recommendations for proceeding with future international business ventures.

Understanding Venezuelan Culture

The first step to a successful international partnership is acknowledging and understanding the cultural differences between you and your client. Of course, there are always exceptions, but the United States is traditionally an individualistic, low-context culture while Venezuela is traditionally a collectivist, high-context culture [1]. Understanding the differences between these two classifications and recognizing the cultural characteristics can help to better prepare you for a successful international interaction.

Individualism versus Collectivism

According to Ting-Toomey, individualism refers to the tendencies of people to “emphasize individual identity over group identity, individual rights over group obligations, and individual achievements over group concerns.” (325) Conversely, collectivism refers to the tendencies of individuals in a culture to “emphasize group identity over individual identity, group obligations over individual rights, and group-oriented concerns over individual wants and desires.” (Ting-Toomey, 325) As a whole, individualistic cultures value personal gains such as personal wealth, success, and happiness. Collectivist cultures and societies tend to not be so self-centered and rather think of others and the society as a whole before thinking of themselves, if at all. Conflict experienced within (or around) individualistic cultures is manifested as personal, assertive, and confrontational. Individualistic persons often come across as blunt, forward, or rude. Mistakes are often implied to be the responsibility of the perpetrator; thus, personal accountability is expected on the part of the offender. On the other hand, as Ting-Toomey points out, “collectivism is manifested interpersonal conflict through the representation of collective opinions or ideas, the restraint of personal emotional expressions, and group accountability, if possible, for the conflict problem.” (325) Collectivism aims to take the blame away from the individual during conflict and distribute it among the group, whereas in an individualistic culture, it is expected that an individual will take ownership of a conflict and be accountable.

Low- versus High-Context Cultures

Originally defined by Hall in 1976, low-context cultures communicate through explicit and specific messages with little room for interpretation. High-context cultures rely heavily on context and nonverbal methods of communication. The listener is expected to “read between the lines” and read the contextual cues of a situation to fully understand an interaction [2]. As Ting-Toomey states, “In low-context communication, the speaker is expected to construct a clear, persuasive message that the listener can decode easily. In contrast, high-context communication

refers to communication patterns of indirect verbal mode, ambiguous talk, nonverbal subtleties, and interpreter-sensitive value.” (326)

Because Venezuela is traditionally a collectivist, high-context culture, there are stark contrasts to behavior that is standard in the United States and that Americans are used to seeing in a professional environment. The situation described by David and Valerie highlight some behaviors and situations that are typical in Venezuelan culture.

Nonverbal Communication

Typical non-verbal communication in Venezuela differs significantly from what is considered acceptable or appropriate in the United States. Physical contact during conversation is very common, and a nudge on the arm or something of the like should be expected. Venezuelans also do not hold the same regard for personal space that Americans do, often intruding an area that would be considered too close for comfort for a U.S. national. Strong eye contact is also important in conversations, as this signifies respect and attention to the speaker [3].

Communication

It is typical in Venezuelan culture not to rush through things. Conversations are usually held at a leisurely, casual pace, even in a business setting. It is typical for individualistic cultures to value schedules and agendas to ensure objectives are met within strictly outlined timelines. Conversely, as Ting-Toomey states, collectivist cultures, “tend to work on the relational atmosphere and the contextual setting” rather than adhere to strict schedules. (328) David and Valerie mentioned that their initial meeting with the Venezuelan team ran over time and followed a leisurely pace. The conversation was more often than not focused on personal matters, rather than getting to the business at hand. This is all standard and typical of Venezuelan culture. The business will flow organically after an initial period of niceties. Conversation in general can often be rather long and drawn out, and Venezuelans are typically discrete when it comes to negative opinions or criticism, often opting to discuss these topics in a more private setting, rather than out in the open [3].

Business Etiquette

Punctuality in Venezuelan business culture is very important, however the leisurely style of Venezuelan culture carries over into business settings, and though it is polite to arrive on time to business functions, they often will not begin until significantly after the scheduled start time [3]. It is understood that business meetings will be preceded by a discussion of personal matters and small talk. Another important aspect of Venezuelan business culture is attire. David mentioned that the Venezuelan team was dressed in full, formal suits despite the hot weather. Venezuelan culture considers a clean, neat appearance to be respectful and is expected in professional settings [3].

Individualistic cultures consider a signed contract to be representative of a resolved conflict [1]. Ting-Toomey states, “For M-time people, a signed contract or written assignment signals joint explicit agreement to the solution of the conflict problem.” (328) This is not a value that the collectivist culture of Venezuela recognizes. Business negotiations in Venezuelan culture are slow processes and require a lot of personal attention to the client. Negotiations take time, and it is not uncommon for business dealings to require multiple meetings before a decision can be made. Rushing through a deal could come off as rude or disrespectful to Venezuelan business

professionals [3]. Venezuelans prefer to focus on and establish personal relationships before closing business deals. Ting-Toomey states, “P-time people want to spend more time building trust and commitment between the conflict parties.” (328) In Venezuelan culture, like many other collectivist, high-context cultures, the focus is less on the actual business deal, but on the relationships built through the partnership. Rushing to secure a signed contract could offend a Venezuelan business professional because this could be viewed as skipping over this vital business practice of establishing rapport.

Recommendations

The following is a list of recommendations for future business dealings with clients from Venezuela or other international clients.

- **Research and learn:** Research the culture of your clients prior to your initial communication. Showing an understanding of another’s culture can go a long way in garnering respect from potential clients. It demonstrates an interest in and respect for the other party.
- **Be empathetic:** Understand that you may have to step out of your comfort zone to ensure a secure relationship. Set boundaries respectfully and try your best not to offend your client because you are not familiar or comfortable with their traditions.
- **Communicate:** Research communication patterns typical of your client’s culture. Communicate with them often and openly according to their preferred communication style. Try your best to understand clashes in culture and try to explain to your client (respectfully) why an action or behavior may not be appropriate in a professional setting in your culture.

Conclusion

The best way to ensure a positive and healthy business partnership with an international client is to take the time to learn about and understand their culture, to the best of your ability. Establish boundaries and communication patterns early on in the business relationship. Researching your client’s culture and demonstrating an understanding in the workings of their standard practices will show your client that you are attentive and interested in securing their business and developing a strong professional relationship.

References

- [1] S. Ting-Toomey, "Intercultural Conflict Competence," *Readings in Intercultural Communication*, 2002.
- [2] E. Hall, "Performing International-User Analysis," *Choosing a Model of Culture*. Available: <file:///C:/Users/kdree/Downloads/Hall.pdf>.
- [3] "Venezuelan Culture," *Cultural Atlas*. Available: <https://culturalatlas.sbs.com.au/venezuelan-culture/venezuelan-culture-communication#venezuelan-culture-communication>.

Background

David Smith and his supervisor, Valerie Jones, work for Alpha Products. A relatively small U.S. company, Alpha wishes to expand into the Latin American market and has identified a firm in Venezuela with which it hopes to establish a partnership. Initial discussions between the head of the U.S. firm and the head of the Venezuelan firm have proceeded very smoothly, and Valerie and David have been sent to Caracas, Venezuela, to finalize the few remaining details of the partnership agreement and get the contract signed.

Both Valerie and David are recent college graduates, considered to be smart and savvy by their firm, although neither has traveled abroad before except on brief vacations. Although Valerie speaks only English, David had two years of Spanish in college and is confident that they will have no communication difficulties. Because negotiations have gone so well to this point, they expect it will be a quick trip.

However, after Valerie and David arrive in Caracas, things do not go as expected. They had hoped to get the contract discussions taken care of the first morning so they could enjoy some time sightseeing. Instead, the morning meeting was very leisurely, and the hosts seemed more interested in talking about personal matters than in getting the partnership finalized. Although Valerie and David already knew that the host company was a family business, they discovered during the morning that all of the employees are brothers and (male) cousins; there are no women and no non-family members.

David became self-conscious when he saw that his Venezuelan hosts were very formally dressed in dark suits and ties; he and Valerie had dressed more casually because of the extreme heat. Meanwhile, Valerie felt uncomfortable because the hosts seemed to be ignoring her in the partnership discussions and speaking only to David—even though she was his boss. They were charming to her, and overtly flirtatious, but they weren't taking her seriously as a colleague. David could sense Valerie's discomfort from her body language. She kept moving away from the host's unsolicited touching and gestures. Both Valerie and David were physically uncomfortable with how close the hosts were sitting to them, and especially the closeness of their faces when they talked.

The morning meeting continued through a long, leisurely lunch. David wondered, "When are we ever going to get our contract signed?" When he and Valerie began to try to drop some not-too-subtle hints to the senior Venezuelan about the contract, they were told that everything was a group decision, that the family must carefully consider all aspects before signing the contract. They learned that the Venezuelans expected the Americans to simply leave the documents to be read and signed later. However, before they left the U.S., their boss had told them to come back with the signed documents in hand. When David acted anxious, his host told him to just relax and enjoy the moment—the future would work itself out.

By early afternoon, David was tired, restless, and a little angry. He could tell Valerie was having a lot of trouble dealing with the situation as well. Finally, the lunch came to an end (with the contract still unresolved), and their hosts presented David and Valerie with several small gifts. Valerie felt awkward, because they had not thought to bring gifts to give in return.

Upon leaving the restaurant, instead of returning to the office to continue discussions about the partnership, their Venezuelan hosts left for the rest of the afternoon. Before everyone went their separate ways, the conversation turned to dinner, and the hosts invited the Americans to meet at 9 p.m. After a few hours of sightseeing, David and Valerie went to the meeting point, expecting another restaurant, but found instead a stand-up bar. The hosts did not arrive until 9:45. By this point, David was starving, but when he suggested they find a restaurant, the group fell silent. They finally had a light dinner at 11:30 p.m. David was not happy. He and Valerie were tired and frustrated.

After David and Valerie returned to the U.S. (leaving the still unsigned contract with the Venezuelans), the American company did not hear from the Venezuelan company for several weeks. When the head of Alpha contacted the head of the Venezuelan company, the latter indicated that they had decided not to form a partnership with Alpha Products after all.

Your Task

You represent an intercultural consulting firm brought in to assess this situation and make recommendations to Alpha Products about how they can be more effective in future international situations. Analyze and explain the tension and conflict in this situation from an intercultural perspective, considering the various categories of cultural differences that we have discussed. Then, develop a list of recommendations for this company, considering the following questions (you do not necessarily need to answer each question; the questions are intended to serve as starting points for formulating your analysis and recommendations):

- What went wrong? Where do the problems lie? Who should take responsibility?
- What cultural differences between American and Venezuelan culture are reflected in this scenario?
- How could the situation have been handled differently? What preparations might the American team have made ahead of time? What should they have expected and been prepared for?
- How could this company best prepare itself for a future partnership with a Latin American company?