

ATTITUDE TO TRUTH, CROSS-CULTURAL APPROACH

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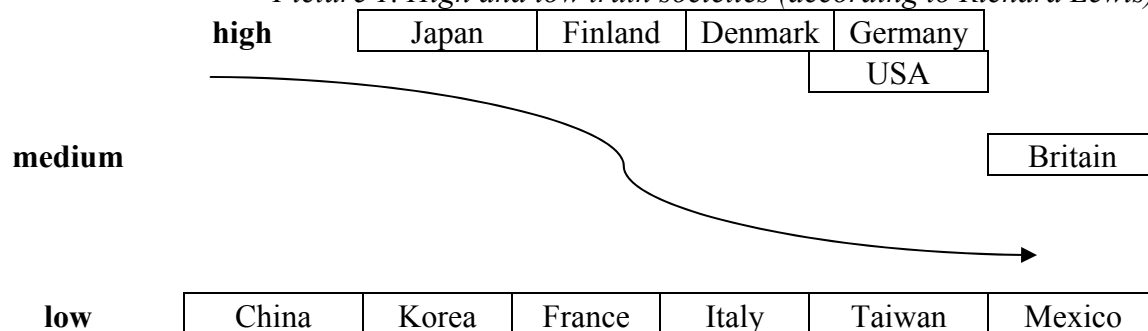
One of the most convincing ways of establishing business relationships with someone is to install strategies which lead to early trust, particularly among multi-active and reactive employees, managers, customers and prospective partners. When considering building trust in an international group, national traits must of course, be kept in mind. To ensure a smooth-

running team based on mutual trust, it is perhaps best to start with a set of basic trust-building strategies, the kinds that are outlined in numerous management manuals:

- Set clear, transparent aims and goals
- Prepare clear instructions
- Communicate them effectively
- Insist on an information-sharing policy
- Provide practical, user-friendly tools
- Set up time-efficient processes
- Recognize contributions

These principles appear to be transnational. However the attitude to truth in different cultures often differs. Members of high-trust societies normally have a ready trust for their compatriots. They are usually linear-active and assume that their fellow nationals “follow the rules”; in other words, trust a person until he or she proves untrustworthy. Members of low-trust cultural groups are initially suspicious of fellow nationals - they are often multi-actives or reactives who have a more flexible adherence to rules, regulations and laws.

Picture 1. High and low truth societies (according to Richard Lewis).



Source: [1].

Several surveys have been carried out regarding trust in fellow nationals. Usually the Danes, Finns and fellow Nordics score highest, with the Germans and Japanese close behind. Britons are in the medium category. Americans, who once fit in the high-trust category, have a declining trust level due to perceived corruption in state and national government and in their financial institutions, particularly in corporate governance. Low-trust cultural groups are exemplified by such countries as China, Mexico, France and the Latin and Arab countries. People in these groups trust completely only those they know best: family and one or two close, lifetime friends.

The cross-cultural approach also includes attitude towards a contract. The Swiss, Germans, British, North Americans and Finns are among those who regard a written contract as something which, if not holy, is certainly final.

When they put their name to an agreement they will, in most cases, honour it – the good name of the company is at stake. The same principle applies at the national level: British and French adherence to long-standing commitments in transnational projects such as Concorde and Airbus is taken for granted. The French tend to be precise, often extremely finicky, in the drawing-up of contracts, and, having got what they wanted, can usually be relied upon to follow through. Latins require more flexibility. The Italians or Argentinians see the contract as an ideal scheme in the best of all worlds, which sets out the prices, delivery dates, standards of quality and expected gain. But the world, as we all know, is-not perfect. Things may, and probably will, go wrong. South Americans and Spaniards often fail to meet deadlines and deliver late. They will, by way of insurance, have spent considerable time and energy building up a good relationship with their trading partner and will expect understanding if they run into difficulties in meeting the contract. They may also pay late; in this the French join them. For the Chinese and most Asians, on the other hand, the contract is merely a statement of intent. They will adhere to it as best they can but will rarely feel bound by it – particularly if they feel cheated or legally trapped, if anything in it contradicts common sense or if market conditions suddenly change: new tax laws, currency devaluations and drastic political changes can all, in their eyes, render a previous accord completely meaningless. The Japanese see the 'real' contract as the one made orally in good faith during a meeting where they trusted the other side, were too polite to offend and, in all probability, understood less than two-thirds of what was being said. Equally, they expect the written contract to reflect the harmonious style of the discussion. If the small print turns out to be rather nasty, they will ignore it or even contravene it without any qualms of conscience.

To sum up, the best advice in dealing with foreign business counterpart is to know his cultural background. The good thing is also to follow a Russian proverb “Trust but check”.

Literature

1. *Lewis Richard D.* When cultures collide: leading across cultures / 3rd edition, Library of Congress Cataloging-in-Publication Data. 2006.