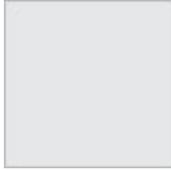


# Business-culture Briefing *India*

"India is large, very large, and not at all easy to understand. The vastness and complexity can only be comprehended with the aid of compassion and some humour but above all much patience. If you wish to know something about India, you must empty your mind of all preconceived notions. Do not try to compare. India is different, and exasperating at it may seem, would like to remain so...This is the secret of India, the acceptance of life in all its fullness - the good and the evil."

*Indira Gandhi*



**Setting the scene:**

Bangalore, India: A boardroom. Half an hour into the meeting.

The four gentlemen seated across the table from you seem pleasant and relaxed enough for you to feel comfortable. They're smoking Benson & Hedges cigarettes, having lit them with their Dunhill lighters, and they nod and smile politely as the conversation continues. Two of them say that they have been to England and speak English with ease.

You think to yourself: These are intelligent men, obviously very globalised, with impeccable manners. You wonder why so many veterans of Indian dealings warned you of the minefields of misunderstanding and illogical behaviour that awaited you on this, your first business trip to India.

It has been a long meeting and you end it feeling confident about your prospects. You prepare an upbeat report for your boss and assure him that the deal is in your pocket. But then, weeks go by with no further communication. All your attempts to make an appointment or get phone calls returned are thwarted. Surprised, you leave India and return home with no deal in your hands.

*What could the problem be? you wonder.*

*Hadn't they agreed with everything you said?*

*Hadn't you given one of your most aggressive and lucid presentations ever?*

In fact, you remember that you felt so good at the end of the last meeting that you affectionately patted one of your new Indian friends on the back. You remember saying to him, "I'm sure you'll decide to go with us--it's a price that can't be beaten. You've seen that none of our competitors' products even comes close." And your friend nodded, saying, "Yes, that's true," as his negotiating team had done throughout the discussions.

Weeks later, you finally get an answer -- indirectly through a friend: no they are not interested.

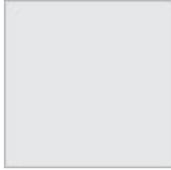
Naturally, you're perplexed. You reassess the negotiations.

*What signals did you misread?*

*What did you do wrong?*

*How could you have handled it so badly?*

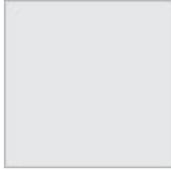
*Were you rude without knowing it?*



### India in Figures

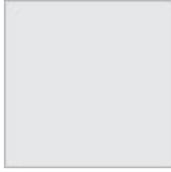
#### Country

<b>Full country name:</b>	Republic of India
<b>Area:</b>	3,287,590 sq km
<b>Population:</b>	1,147 m (2008)
<b>Capital city:</b>	New Delhi
<b>Life expectancy:</b>	Male: 66.87 (2008) Female: 71.9 (2008)
<b>Literacy:</b>	Male: 73.4% Female: 48.3% (2003)
<b>Religion:</b>	Hindu, Muslim, Christian, others
<b>Government:</b>	Federal Republic
<b>President:</b>	Pratibha Patil
<b>Prime Minister:</b>	Manmohan Singh



**How much do you know about India and Indian culture?** *Answer the following questions. The answers will give you some useful background information about Indian culture.*

1. India is expected to overtake China as the world's most populous country by...
  - a. 2025
  - b. 2035
  - c. 2045
  - d. 2055
2. When India celebrated fifty years of independence from colonial rule in 1997, what was the slogan chosen to inspire national pride.
  - a. Unity in Diversity
  - b. Unity and Pride
  - c. Unity and Freedom
  - d. Unity in Faith
3. How many different national languages are officially recognised by the Indian constitution?
  - a. 15
  - b. 16
  - c. 17
  - d. 18
4. Approximately what percentage of the Indian population is estimated to speak fluent English?
  - a. 15%
  - b. 25%
  - c. 35%
  - d. 45%
5. In the year 2003-2004, approximately how many people did India's 'Business Process Outsourcing' industry employ?
  - a. 100,000
  - b. 150,000
  - c. 200,000
  - d. 250,000
6. Approximately how many of India's population are usually described as 'middle class'?
  - a. 50 million
  - b. 100 million
  - c. 150 million
  - d. 250 million
7. How many engineering graduates does India produce each year?
  - a. 360,000
  - b. 260,000
  - c. 160,000
  - d. 60,000
8. India is one of the few countries on earth in which many of the key social and religious structures have remained



intact for at least 4,000 years.

True / False

9. India has more Muslims than Pakistan

True / False

10. What percentage of India's population follow the Hindu religion?

- a. 60%
- b. 70%
- c. 80%
- d. 90%

11. What slogan did the Hindu nationalist BJP party use during the 2004 Indian general election?

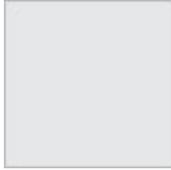
- a. India Smiling
- b. India Soaring
- c. India Sliding
- d. India Shining

12. According to a 2006 UN report, how many people in India survive on less than US\$1.00 dollar per day?

- a. 60 million
- b. 160 million
- c. 260 million
- d. 360 million

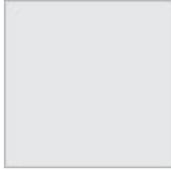
***Check your answers on page 6***





### Quiz Answers

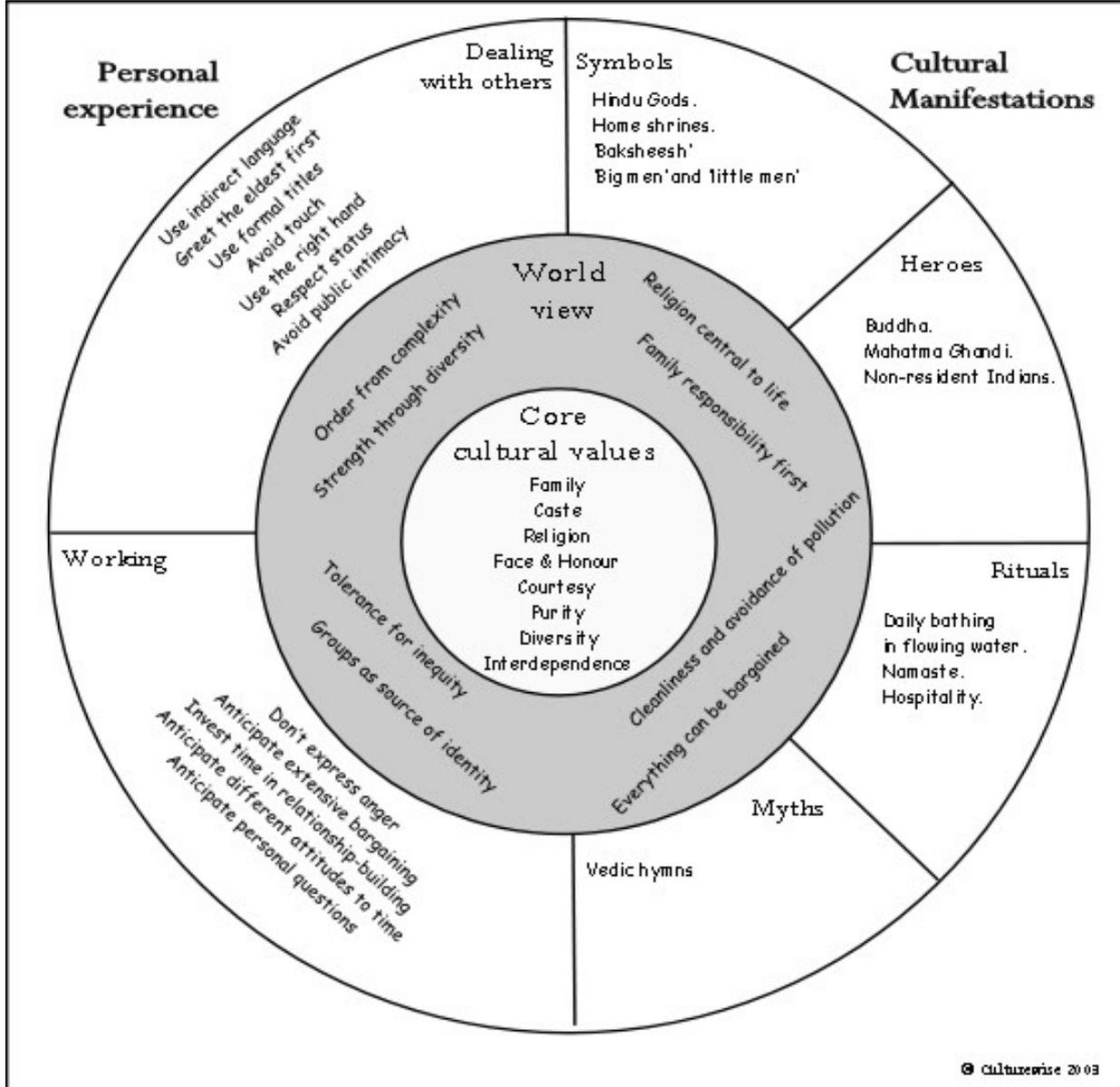
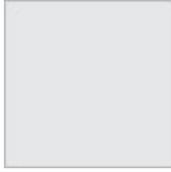
- 2045.** India accounts for approximately 3.4% of the world's landmass but is home to about 16% of the global population, with a total annual increase approximately equal to the entire population of Australia. While India is now a major industrial and economic power, its huge and growing population represents a fundamental social, economic, and environmental challenge.
- “Unity in Diversity”.** That ‘diversity’ should be chosen to represent modern Indian culture is hardly surprising when you consider that the nation’s population of 1 billion reads newspapers in 87 languages, listens to radio programmes in 71 and watches films in 15. To this melting pot of linguistic diversity, India adds a multitude of different religions and faiths, wide regional variations, and a huge gulf between urban and rural ways of living.
- 18.** Although only 18 languages are officially recognised by the constitution, 1,600 minor languages and dialects were listed in the 1991 census. English enjoys associate status but is the most important language for national, political, and commercial communication; Hindi is the national language and primary tongue of 30% of the people; there are 14 other official languages: Bengali, Telugu, Marathi, Tamil, Urdu, Gujarati, Malayalam, Kannada, Oriya, Punjabi, Assamese, Kashmiri, Sindhi, and Sanskrit; Hindustani is a popular variant of Hindi/Urdu spoken widely throughout northern India but is not an official language
- 15%.** India has the second largest number of English speakers in the world with over 150 million people speaking English. India has capitalised on its large numbers of well-educated people skilled in the English language to become a major exporter of software services and Business Process Outsourcing. However, there are growing doubts about whether India can continue to meet the demand for technically qualified English-speaking staff willing to work in the IT and BPO environment.
- 250,000.** In 2005 the BPO industry was estimated to have generated revenues of \$36 billion, nearly 5% of GDP. While strong growth continues (a recent report suggested only one-ninth of the potential for IT outsourcing and one-twelfth of that for BPO has so far been tapped) international organisations are beginning to look more carefully at India's potential weaknesses in this area. These include a lack of data privacy legislation; recent salary inflation; very high staff turnover; inadequate infrastructure; and restrictive labour laws.
- The country boasts a flourishing middle-class of 250 million people.** It is estimated that by 2025 the middle class will comprise 50% of the



population.

7. **360,000.** India's education system turns out millions of graduates each year, many skilled in IT and engineering. This population advantage underpins India's recent economic advances, but masks deep-seated problems within India's education system. At the top end, India's business schools, Indian Institutes of Technology (IITs), Indian Institutes of Management (IIMs) and universities produce globally competitive graduates. However, primary and secondary schools, particularly in rural areas, struggle to find staff and the country has not yet ensured universal access to education for its poorest and most disenfranchised communities. The country's key challenges include improving access and quality at all levels of education; increasing funding; and improving literacy rates.
8. **True.** Despite invasions, persecution, European colonialism and political upheaval, India's social and religious institutions have absorbed, ignored or thrown off all attempts to radically change or destroy them. Even today, in a diverse nation undergoing significant political, economic, and social change there are currents in Indian 'culture' that remain uniquely recognisable, even after 4,000 years. Of these different influences on modern Indian culture it is religion and language that, more than any other, seep into every facet of Indian life.

9. **True.** There are more than 100 million Muslims in India, making it one of the largest Muslim nations on earth.
10. **80%.** Despite the nation's status as a secular state, India's major religion, Hinduism, is practiced by a large majority of the population. Hindus believe that everyone goes through a series of births or reincarnations that eventually lead to spiritual salvation. With each birth you can move closer to, or further from, eventual enlightenment; the deciding factor is your karma – that is, your accumulated good and bad deeds in previous existences.
11. **India Shining.**
12. **260 million.** Despite its considerable recent economic and social achievements, India still faces massive social problems. Nearly half of the country's children below the age of six are undernourished. More than half of its women are illiterate. Half its homes have no electricity, and corruption is endemic.

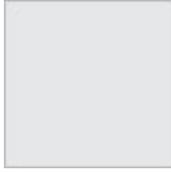


## Indian cultural influences

### **Hierarchy and status**

India's prominent religion, Hinduism, has three basic practices: worship, the cremation of the dead, and the rules and regulations of the caste system. A caste is a hereditary group whose members traditionally intermarry only among themselves. Castes are graded in a social

and ritual hierarchy in which each caste expects respect from inferior groups and gives respect to superior ones. For example, the merchant caste was traditionally placed third in the four-caste Hindu hierarchy, reflecting the low status accorded to money-making in traditional Indian culture. At the very bottom of the caste system came the Dalits - once known as untouchables - while the top consisted of Brahmins, once the priestly class.



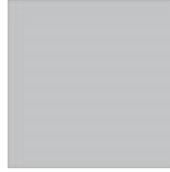
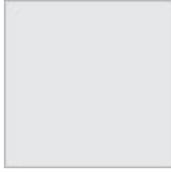
Within traditional families, there are many distinctions of hierarchy. Men outrank women of the same or similar age, and senior relatives outrank junior relatives. A daughter-in-law of a household shows deference to a daughter of a household. Even among young siblings in a household there is constant acknowledgment of age differences: younger siblings do not address an older sibling by name, but rather by respectful terms for 'elder brother' or 'elder sister'. However, an older sibling may address the younger by name. While castes are primarily associated with Hinduism, similar cultural beliefs in the importance of hierarchy, status and social distinction also exist amongst other Indian religious groups. Observation of Muslim life in various parts of India reveals the existence of caste-like groups and clear concern with social hierarchy. Among Indian Christians too, differences in status are acknowledged and maintained.

Although there is theoretical equality under the law for all Indian citizens, the belief in hierarchical differentiation associated with the caste system remains one of the most pervasive influences in Indian society. For example, while it is increasingly common for young urban professionals to have sexual relationships before marriage and marry a partner of their own choice, it is still most common for marriages to be arranged between families of equivalent status and similar caste. Caste violence continues to occur at regular intervals across many parts of the country, and recent attempts by the

government to set quotas for low-caste entry into India's best-known professional colleges Indians has bitterly divided the country.

Nevertheless, urbanisation, industrialisation and demographic changes are breaking down many caste barriers. Low-caste Hindus - who form a significant percentage of the population - have grown so politically influential that no serious political party can ignore their interests. The large numbers of foreign companies investing in India have brought with them corporate practices that emphasise egalitarianism and equality of opportunity, and western attitudes towards 'diversity' have reached further and further into the fabric of society. Indian governments of all shades have recognised that for India to be competitive, a firm commitment has to be made to uphold equal opportunity and diversity in the workplace. Quotas for low-caste Indians exist in parliament, state assemblies and local government bodies, as well as government jobs. There are many Indians, particularly among the educated urban elite, who pride themselves on being free of "casteism", and it is common for educated urban colleagues of vastly different caste and religious heritage to enjoy a cup of tea together – even if it remains very rare for a low-caste 'sweeper', however well educated and cosmopolitan, to invite a high-cast 'Brahman' to dinner in his home and have his invitation unselfconsciously accepted.

All of these recent changes mean that



in international companies, and in India's dynamic home-grown IT and knowledge-based companies, foreign visitors will not obviously encounter the type of close attention to caste and status distinctions that they might in smaller, family or traditional firms. As elsewhere in the globalised economy, hard work and technical skill are often more important than hierarchical status and background as grounds for promotion. Foreign visitors to large, modern companies are likely to encounter young, well-educated, adaptable and enthusiastic individuals who are familiar with western business practices and who (at least on the surface) reject the type of social stratification that characterises more traditional Indian companies. Work environments in these organisations are likely to be less status-consciousness than in traditional Indian businesses.

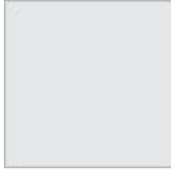
However, great care also needs to be taken in assuming that businesses outside the high-tech centres of the 'new' India or among the country's huge swathe of family-run firms will automatically share the same 'westernised' business-culture. It is also the case that even high-flying, flexible, 'modern' Indian staff may well stick closely to local cultural norms with regard to hierarchy and status once they leave work for the day. Business-culture in India also becomes distinctly less 'global' and more Indian the further you get from the centres of Bangalore, Hyderabad, New Delhi or Mumbai, and the sheer pervasiveness of hierarchical distinctions in smaller, family-run and more traditional

firms in India is important for foreign visitors to understand. Status, as determined by one's age, university education, caste and profession, continues to be important in assigning authority in many workplaces. Decisions still tend to be made at the top of hierarchies and developing good personal relationships with contacts at the right 'level' is considered important if you want to influence decision-making. Even in large companies staff who do not openly espouse traditional observance of caste or class ranking behaviour may still set up fictive kinship relations; addressing one another by kinship terms reflecting family or village-style hierarchy. For example, a younger colleague might respectfully address an older colleague as *chachaji* (respected father's younger brother), acknowledging the superior position of the older colleague. Similarly, within traditional companies manual labour will only be carried out by the "peon" (roughly equivalent to a 'runner'). It is not uncommon that the task of moving of a desk to take hours. This is because nobody in the office will carry out the type of manual task that is associated with someone of the peon's relative rank.

### **Activity One**

The following quotes were all made by Western people who have experience in working with India. Read the list of quotes in each section and discuss questions 1, 2 and 3.

- *"The "saving face" mentality pervades*



*all the time - this is a wider phenomenon than just in India - it covers a great deal of Asia."*

- *"(There is a) reluctance to admit errors, even when I explain I am just trying to undertake a 'lessons learned' exercise, and (that) knowing how an error was made is an important part of ensuring there is no repeat."*
- *"I run a weekly call with our Indian support team and I struggle to get them to speak up/answer questions in that environment, although in a 1-to-1 situation it's much easier..."*
- *"Sometimes people (do not appear) open and honest. (For example by) agreeing and saying yes to a question, when perhaps they don't know what they're talking about."*
- *"(There is a) seeming reluctance to say it can't be done to whatever criteria has been specified (time, budget etc) even if it obviously can't."*
- *"Sometimes (there is) too much emphasis on getting it done rather than thinking more strategically and thinking through all the implications of some decisions - throwing more people at a problem is not always the best solution."*
- *"Hierarchies are important to Indians - but at the same time, knowing how to work around them and the system is considered smart and right"*
- *"Despite the distinguished hierarchical system, the relationship between an Indian boss and his employee can be*

*similar to that of close relatives"*

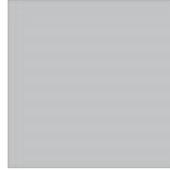
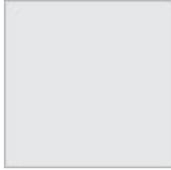
### Questions

1. What core Indian cultural values do these comments reflect?
2. How might western-style individualism and assertiveness sometimes be perceived by Indian counterparts?
3. How might you reconcile Anglo-American attitudes towards 'face' and hierarchy with those commonly held in India?

### **Indian Communication Styles**

Even in modern companies, Indian employees often seem to be somewhat less direct and confrontational in workplace communication than is the case in the US or Northern Europe. Western managers continue to comment on an apparent lack of 'assertiveness' in many Indian subordinates and an unwillingness to directly challenge or question the opinion of senior staff. To some westerners this apparent lack of directness, and an occasional Indian tendency to say 'yes' to requests that have no real chance of being complied with, can be misunderstood as lacking in honesty. In turn, Indians can also sometimes misunderstand western-style 'assertiveness' as loss of control or dignity, or even anger – something that will automatically diminish an individual in the eyes of his or her Indian counterpart.

Foreign visitors are advised to find out as much as they can about the people and organisations they will be working with,



and to refrain from making assumptions about how 'westernised' these individuals and companies may (or may not) be. Visitors also need to take care not to be seen to 'impose' their assumptions about what makes for effective workplace interaction, without adequately communicating why things are being done as they are, and what is explicitly expected of effective employees.

### Activity Two

The following quotes were all made by Western people who have experience in working with India. Read the list of quotes in each section and discuss questions 4, 5 and 6.

- *"People in India tell you what you want to hear, rather than tell you how it really is. (I can only) get answers by asking contradicting questions."*
- *"Sometimes I feel that I'm not getting the full story on things immediately - what's missing sometimes filters through later on."*
- *(I have) difficulty in gauging whether what I've said—or stated in writing—has really been understood."*
- *"I can't make myself understood, e.g. I think I have asked for something to be done but it doesn't get done.....clearly I'm not making myself understood!"*
- *"People in India like the idea of working for an international company, but some seem to struggle to come to terms with what that means to them in their working lives ... Communication*

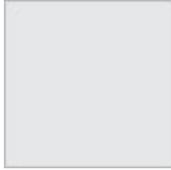
*processes and priorities need to be considered and implemented in this new world."*

### Questions

4. What might these comments tell you about the differences between Indian and Anglo-American communication styles?
5. What skills or strategies might you adopt to improve the effectiveness of communication with Indian counterparts?
6. How might you assist Indian counterparts in "coming to terms with" working for an international company?

### **Social Interdependence**

A further key theme pervading Indian life, inseparable from notions of status and caste, is that of social interdependence. To a great extent, Indians are born into groups - families, clans, sub-castes, castes, and religious communities - and live with a constant sense of being part of and inseparable from these groups. This cultural focus on collective rights and responsibilities (which is often contrasted with western 'individualism') means that everything a person does properly involves interaction with other people. A person's greatest fear is the possibility of being left alone, without social support, to face the necessary challenges of life. Social interaction is regarded as being of the highest priority, and social bonds are expected to be long lasting. Even economic activities that might in Western



culture involve impersonal interactions (i.e. visiting a grocery store) are in India deeply imbedded in a social nexus. All social interaction involves constant attention to hierarchy, respect, honour, the feelings of others, rights and obligations, and hospitality. Finely tuned rules of etiquette help facilitate each individual's many social relationships.

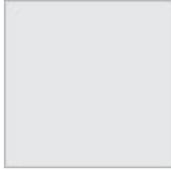
In the business environment, particularly within India's huge swathe of family-run businesses, there is a common belief that people outside of the family are somehow less worthy of trust than those inside. Unlike old soldiers, Indian business magnates rarely fade away and it is still common to find three generations of founding-family members holding key positions in the running of even very large companies, sometimes despite a tangible lack of ability or experience. N.R. Narayana Murthy, founder of Indian IT company Infosys, caused a considerable stir in 2006 by standing down as the company's Executive Chairman in favour of younger professional colleagues rather than his own offspring. The stir was caused not so much by his decision to go (indeed on his departure he awarded himself a new role as Chief Mentor) but by his break with India's corporate traditions of family interdependence.

Social interdependence remains important at all levels in Indian culture. Particularly when dealing with public sector officials, western visitors to India are still sometimes startled to find that important contacts have left their posts - often for

many days at a time - to attend a cousin's wedding or participate in religious activities in a distant part of the country. *"He is out of station and will be back in a week or two,"* the absent official's colleagues explain. What is going on is not laziness, or even less, recreation, but is the official's proper recognition of his need to continually maintain his social ties with relatives, caste fellows, other associates, and even, ultimately, with God. Without being enmeshed in such ties throughout life, a person cannot hope to maintain long-term efficacy in either economic or social endeavours. Social bonds with relatives must be reinforced at family events or during rites crucial to the religious community. If this were not done, people who could offer vital support in many phases of life would be alienated.

In every activity and at every time there is an assumption that social ties can help an individual and that their absence can bring failure. For example, a student applying to a college hopes that he has an influential relative or family friend who can put in a good word for him with the Director of Admissions. At the age of marriage, traditional young people expect





### Indian English

Paradoxically while globalisation and the call-centre culture has created a raft of young professionals well versed with the nuances of American and British English and accents, it has also brought a new confidence and awareness in the way Indians have adapted the English language to suit their own cultures. There are several words and phrases that Indians use which are not really used in other English speaking countries. Phrases that might be heard include, "You asked her no?" "We did it just like that only", or "Please off the lights".

It is also common to hear Hinglish, a combination of Hindi and English, where local terms are interspersed through English sentences. Although Hinglish is not often used in business or professional communication, it can be heard in advertising, television shows and films, and even in Indian writing in English where it is used to lend authenticity to the narrative.

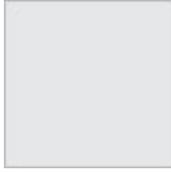
Activity Four: Match the US or UK English definition (1 to 8) with its Indian equivalent (a to h).

1. The harassment of women,
  2. A very serious mistake
  3. 10 million
  4. 100,000
  5. A generic term for a eating place
  6. Earrings
  7. A waiter
  8. One hundred percent.
- 
- a. Cent percent
  - b. Crore
  - c. Tops
  - d. Himalayan blunder
  - e. Hotel
  - f. Eve teasing
  - g. 'Bearer'
  - h. Lakh

that parents will take care of finding the appropriate bride or groom and arranging all the formalities. At the birth of a child, the new mother is assured that the child's kin will help her attend to the infant's needs. The flip side of this positive social interdependence is that bribery is rampant everywhere: from acquiring a birth certificate to getting into a good school - it is 'commission,' almost like a service charge paid to a concerned person for doing helpful work.

In business, the traditional Indian 'default' mode in business dealings with non family or group members is respectful mistrust. The core basic assumption is that others (i.e. those not in your social networks) will cheat you if you are not careful. This contrasts with a core western business assumption that trusting others up to a point, even new business contacts, is a crucial element in commercial success. Consequently, building up close and influential personal relationships with people in all parts of the business community that are currently (or potentially) of importance, is an essential part of day-to-day work practice for most Indians. In traditional business circles, those trying to arrange a contract rely not only on their own abilities but also on the assistance of well-connected friends and relatives to help finalise a deal.

Of course, modern Indian companies can be as task-focussed as those elsewhere. Nevertheless, Western business visitors, particularly those from highly task-focussed cultures like the USA,



Germany or the UK, would do well to invest a great deal more time in building personal networks with Indian colleagues and counterparts than they might at home. It is also the case that in socially-networked India, few rules are considered to be absolute; everything can be worked around and finding loopholes in regulations is perceived as important. As a result, Western business visitors need to make crystal clear when they have no real room for negotiation around important issues. Business visitors from cultures in which all customers anticipate paying vendors the same price may also need to develop their own negotiation skills.

### **Time deadline and schedules**

#### Activity three

The following quotes were made by Western managers experienced in working with India. Read the quotes and discuss questions 7 and 8.

- *“My main issue is agreeing timetables & deadlines and getting people to stick to them. There always seem to be delays.”*
- *For Americans, strict adherence to time commitments is seen as a basic principle of professionalism and courteous behaviour. Because everything tends to be strictly scheduled, delays in one appointment or deadline can have a serious ripple effect on a colleague or customer's other work commitments. The more flexible and open-ended approach to time of Indian business culture can*

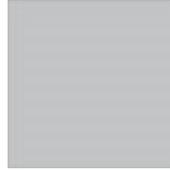
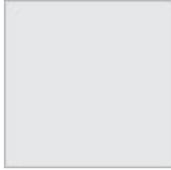
*create tensions and unfavourable impressions on American counterparts.”*

#### Questions

7. How could you classify differences between Indian and Anglo-American attitudes towards time, schedules, and deadlines?
8. How might you effectively communicate the importance of sticking to agreed timetables and schedules when dealing with Indian counterparts?

#### **Language**

India has a multitude of different language speakers. Language is a heavily politicised issue, not least because many state boundaries have been drawn on linguistic lines. Major efforts have been made to promote Hindi as the national language and to reduce the use of English in non-work environments. A stumbling block to this plan is that while Hindi is the predominant language in the north, very few people speak it in the south of the country. Educated Indians therefore use English as the shared language of business and study; championing it as both a badge of their status and as a passport to the world of international business. In truth, only about 15% of Indians have a firm grasp of the language and those that do speak English well are likely to be highly educated, motivated, and western-oriented. Foreign visitors, while acknowledging the English-language skills of their counterparts, would do well to bear



in mind that language (and the political fault-lines associated with language) are sensitive subjects in India.

Business visitors also need to be aware that the kind of questions that seem extremely personal from a Western perspective, are acceptable in an Indian cultural context. How old are you? How much money do you make? How much did that cost? These are questions Westerners are conditioned not to ask directly, though indirect queries often draw out the information. In India, people who want to know are more likely to ask and mean no rudeness in doing so.

### **Women in India**

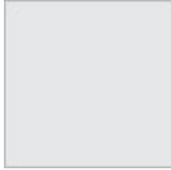
If the removal of class barriers in India remains an elusive goal, globalisation has brought with it improved opportunities for educated, middle class woman to succeed in areas which had previously been perceived as male domains. For example, approximately one third of Indian software programmers today are women. Part of the reason for the high numbers of women in the IT sector is that electronics, communication and computer sciences subjects were traditionally considered to be 'softer' skill areas in University, and consequently attracted increased numbers of women. Other women took up computer courses after they graduated from college in order to acquire extra skills. Since the demand for technical professionals continues to be strong in the IT industry, women are not seen as competitors to men as skills and

experience are what really matter. As India's service sector – travel, tourism, hospitality, media, entertainment, business process outsourcing and IT – continues to emerge there is likely to be an increased role for female employees at the entry and middle levels. Whether this paves the way for larger numbers of women at managerial levels in future remains to be seen.

### **Changing India**

There is no doubt that despite India's recent economic and social achievements, the country faces a range of complex problems. It remains a deeply unequal society, partly because of its legacy of caste division and exclusion. Poverty remains entrenched; nearly half of the country's children below the age of six are undernourished; more than half of its women are illiterate and half its homes have no electricity. For many in India, rampant economic optimism is unmatched by the reality of grinding poverty and badly underperforming or non-existent public services. As a recent world bank report\* put it India "is the best of the world, it is the worst of the world—and the gaps are growing."

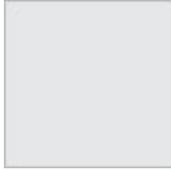
India's key challenges in the future are to make the public sector better at delivering basic services such as health and education; to improve the nation's creaking infrastructure; and to sustain growth at high levels and extend its benefits to more people. Failure to reform public-sector services in particular will



mean that high growth will be ineffective in ending poverty; and, that may mean existing divisions between regions, between urban and rural, between castes, and between religious groups, grow rather than subside.

Of course, not all is doom and gloom. India's larger companies are explicitly setting out to break with India's corporate past by being open, fair, meritocratic and rule-based. India's democratic institutions are robust and most recent Indian governments have a clear idea of what needs to be done, if not the machinery to implement all the necessary changes. Political ideas are often vociferously expressed and different groups are increasingly demanding a fair share of resources and benefits. Financial security is available to many, and access to education and an expanding range of consumer goods is possible for an ever-increasing number of people.

\* "India. Inclusive Growth & Service Delivery: Building on India's Success". World Bank Development Policy Review, 2006



## Working with India

Cultural differences do not, in themselves, make life difficult for people living and working in different cultures. On the contrary, developing an understanding of different assumptions, expectations and ways of doing things can be an extremely enriching personal and professional experience.

However, cultural differences *can* cause difficulty when:

- We are ignorant of the fact that other people think and work in different ways
- We go into situations thinking our ways of working or living are 'better' or 'more advanced' than anyone else's
- We interpret other people's behaviour based on our own (sometime very narrow) frame of reference

Avoiding cross-cultural misunderstandings means, first of all, recognising that the way we do things is a product of who we are and where we come from. Secondly, it means learning about the cultural values, attitudes, assumptions and behaviours of the people we come into contact with. Of course, Indian people are every bit as individual and unique as any other nationality. Regionalism, age, religion, language group and caste are all factors that need to be taken into account when developing business contacts and relationships in India.

However, just as elsewhere, behaviour, etiquette and approach may need to be modified depending on whom you are

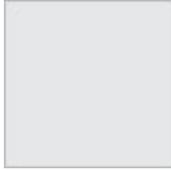
addressing and the context in which they are being addressed. Providing you take care not to make unwarranted assumptions about the people you come into contact with, the following tips and do's and don'ts will provide some useful 'rules of thumb' to help you work and communicate better with Indian counterparts and colleagues.

**Key Tip:** Take along a few photos of your own family, community and home so you can share this with your Indian contacts and colleagues

## Identity and relationships

### *Business Relationships*

- Establishing good personal relationships and taking time to get to know counterparts as individuals continues to be an important element in business success in India.
- In general, when establishing business contacts it is a good rule of thumb to aim for those in the highest position of authority as this is where the final decision is likely to be taken. However, developing relationships with individuals at lower organisational levels will rarely harm your cause, as middle managers are more accessible and can usually forward your proposals in the right direction.
- Indian culture respects people who value their family relationships and obligations. As a result, talking about friends and family in a positive way is an important part of establishing a relationship with those involved in your



team.

- It is important to remember that family obligations may well come before work obligations for many Indian employees. Being sensitive to the need of your Indian colleagues and clients to meet personal and family obligations, even if they sometimes impact on deadlines, schedules and work commitments, is an important element in building sound working relationships. Showing interest and respect towards your Indian counterpart's family is vital for establishing successful relationships.

**Key Tip:** Ensure you have someone locally you can turn when in doubt about Indian social customs and protocol

#### *Gifts*

- Gift giving is not an extensive part of Indian business-culture and business gifts are not normally expected at the first meeting. Gifts may be given once a relationship with your counterpart develops.
- Small gifts can make a good impression when dealing with domestic staff or drivers.
- Wrap gifts in green, red, and yellow as they are considered lucky colours.
- Observant Hindus do not eat beef or use products that are made from cattle. Consequently most leather products will be inappropriate gifts.

#### *Business cards*

- Always present your business card. If it is printed in English it is not necessary to have it translated into an Indian language.

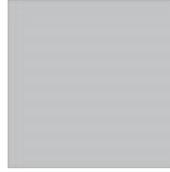
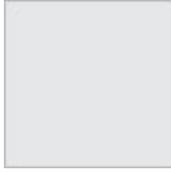
**Key Tip:** Accept hospitality with good humour, and enjoy yourself

#### *Socialising*

- Hospitality is an intrinsic part of doing business in India; most purposeful discussions will not begin until tea is served and there has been some preliminary "small talk".
- Indian culture values hospitality and being a good host. Visitors to India will probably receive a deluge of social invitations, often to their counterparts' homes. It is not necessary to accept any you do not wish – but be careful how you decline. Taking a box of sweets, chocolates or a simple bouquet of flowers would be a welcome gesture if you accept such an invitation.
- Some religions in India prohibit drinking alcohol or smoking. Even those individuals who freely drink and smoke with western colleagues or in informal environments, may choose not to drink on certain occasions such as religious festivals or if there is an older, highly respected relative present. This is particularly true for women.

#### *Eating*

- Take care when pre-ordering food for meetings or conferences - many Indians are strict vegetarians. Hindus do not eat beef and Muslims do not eat



pork. When offering buffets the food should be clearly labelled so everyone finds something they can eat. Ensure that you have plenty of vegetarian dishes.

- Lamb, chicken, and fish are the meats eaten by all Indians who are not strict vegetarians. Avoid eating fish during the monsoon season.
- Washing your hands both before and after a meal is essential. Moreover, in Hindu homes, you might be expected to rinse out your mouth.
- Eat with the right hand, as the left hand is sometimes considered unclean. It is considered acceptable, however, to pass dishes with the left hand.
- Touching a communal dish with your hands (or using your own cutlery to serve from the communal dish) may cause fellow diners to avoid it.
- Never offer another person - even a partner - food from your plate. This practice is regarded with disgust in Indian culture.
- In some social situations saying “thank you” for a meal is considered insulting because thanks are perceived as form of payment. Offering to reciprocate by inviting your hosts out to dinner carries no negative connotations.

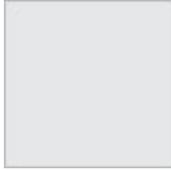
### **Time and space**

#### *Appointments*

- The best time of year to visit India is between October and March, avoiding both the seasons of extreme heat and

monsoons.

- Schedule business appointments well in advance, but always reconfirm appointments when you arrive in India. As a rule of thumb, assume that any meeting scheduled a week or more in advance may well not take place unless reconfirmed.
- Business hours in the private sector are 9:30 a.m. to 5:00 p.m., Monday through Friday. Lunch is usually from 1:00 p.m. to 2:00 p.m.
- Indian executives often prefer late morning or early afternoon appointments, between 11:00 a.m. and 4:00 p.m.
- In western-oriented organisations punctuality is both expected and adhered to. However, in smaller or more traditional organisations keep your schedule flexible enough for last-minute rescheduling or delays.
- When arranging interviews with potential Indian employees it can make sense to anticipate and build late arrivals into your schedule.
- The Indian government is notorious for moving at a slow pace, and this has barely changed in spite of recent private sector economic development. If you have any dealings with Indian public services (or the police) you will need to be patient and set aside any unrealistic expectations regarding deadlines and efficiency. Indeed, it is still the case that in the public sector impatience may be viewed as rude. As



a result high-pressure attempts to get things done faster may be resisted and resented. Make sure you take along work to do while waiting for appointments.

- Business is rarely conducted during religious holidays. Different holidays are observed throughout the many regions and states of India. As dates for the holidays change from year to year, verify this information with the Indian Tourist Office, Consulate or Embassy before scheduling a visit.
- Arrive a few minutes late for a dinner unless it is an official function. If the dinner is in a private home arrive 15 to 30 minutes late.

**Key Tip:** Offer to remove your shoes when entering someone's home

#### *Privacy*

- Research suggests that Indians tend to have smaller personal space and use more touch (between those of the same sex) than is common in many western cultures. Visitors from western countries can sometimes feel somewhat uncomfortable with what they perceive to be incursions into their 'personal space' by strangers.
- The Hindu religion places restrictions on public contact between men and women, as does the Muslim religion. Although you will observe abundant sexual symbols in Indian society, this does not mean that public intimacy is tolerated to the same extent as in the

west. While things are changing in the urban centres of Mumbai and Delhi, Indians of all ethnic groups often still feel uncomfortable with overtly public displays of affection between people of the opposite sex. It is probably also sensible to refrain from greeting people with hugs or kisses.

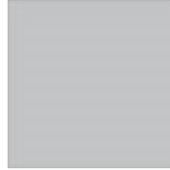
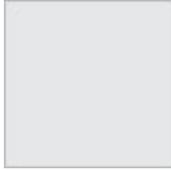
### **Thinking and learning**

#### *Education*

- At lower levels the Indian educational system continues to place a heavy emphasis on rote learning, rather than the inductive approaches common in Anglo-Saxon education systems.
- Indian counterparts at multinational or larger companies will all have been through higher education and are likely as elsewhere to be abstract, analytical thinkers. However, many Indians may be unaccustomed to the Anglo-US practice of arguing concepts or ideas with teachers and professors. This attitude can carry over into the work environment, particularly in dealings with more experienced, better academically qualified, or higher status colleagues.

#### *Influencing*

- Tipping in India is used not only to reward competent service, but to ensure that "things get done"; the term "baksheesh" describes this practice. Ask your Indian colleagues how much to tip for common services and make sure you keep plenty of small change in your



pockets.

- Business visitors may sometimes need to come to their own judgements about where the line between tipping and bribery lays. Always ensure that you comply with the law and corporate policy.
- Demonstrating anger is likely to lead to loss of face. Lose your control and you will automatically lose authority and influence.
- Within family-run businesses, there is a common belief that people outside of the family are somehow less worthy of trust than those inside. Be aware the you may need to work harder to influence individuals within family businesses than you might elsewhere.

#### *Decision-making*

- Decisions tend to be made at the top of the hierarchy and are generally made in accordance with the family, group, and social structure. If you are the boss, it is often your presence that is important so that the negotiations can be seen to take place at the top level.

**Key Tip:** In business things will not always happen as you expect them to—accept it as graciously as you can

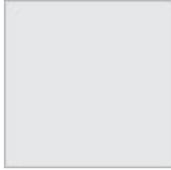
### **Organisation and work**

#### *Negotiating*

- The Hindu notion of Karma and that everything happens for a reason is still significant in the decision making

process of many Indians. As a consequence, business negotiations may take longer than elsewhere, particularly if trust has not yet been established. Concentrate your initial efforts in negotiations on building a rapport with your opposite numbers. If the owner or director of the company you are negotiating with is not present, the chances are that (on the Indian side at least) these are considered to be early stage negotiations.

- Westerners often have a preference for clear, detailed agreements and are uneasy with vague expressions of general commitment. Failure to follow through on them precisely is viewed as a sign that a person or company may not trustworthy. Traditional Indian business culture tends to view agreements more flexibly as intentions and guidelines for future action. Take care in assuming that contracts will always be precisely kept to, especially if they are not accompanied by warm personal relationships.
- Direct “no’s” are sometimes often avoided and may be replaced by non-verbal cues and indirect communication.
- India’s civil legal process is very slow, and litigation following a failed negotiation or contract is generally a hypothetical option, particularly for a foreign company. Good relationships and networks will help avoid the need for litigation.
- In India, traditionally everything had to



be bargained. Business visitors may need to be more explicit than normal in making clear what elements of a deal are (and are not) open to discussion.

- As much of Indian business is family oriented, business visitors may be required to negotiate with a variety of different siblings and relatives. In general, the final say will be with the head of the family. Even adult employees in western-style organisations will often consult with parents over whether to take a job or promotion that you is offered—in India many major decisions will not be taken by the individual, but as a family.

Key Tip:

No matter how hot the day, how long the queue, or how important the deadline. Do not lose your temper!

*Meetings*

- When entering a meeting room approach and greet the most senior figure first.
- In meetings, more junior staff may refrain from making comments in order that the most senior person is able to speak. This does not mean that they necessarily agree with what is being said; it is simply that maintaining silence without contradicting indicates respect for seniority. As a result it is generally a good idea to avoid putting individuals in situations where they might be required to contradict more senior colleagues. If you want to know their true opinions find another

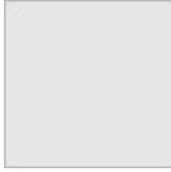
situation (i.e. a one-to-one meeting) in which to ask them.

*Hierarchies and leadership*

- In traditional, hierarchical Indian organisations the boss made all the decisions and accepted all the responsibility. Senior colleagues were obeyed and respected, even when making demonstrably bad decisions. While this hierarchical approach has changed in recent years Western managers still observe that some Indian subordinates appear less comfortable than elsewhere with accepting personal responsibility or when challenging superiors. Coming to India with the expectation that subordinates will automatically speak up, offer suggestions and take their own initiative, is a recipe for problems.
- In some circumstances, managers in India may be expected to monitor an individual's work more than might be the case elsewhere, and provide more direction.
- In general, an individual's comparative status is determined by a his or her age, university degree(s), caste, and profession. Employment in government service has traditionally been considered far more prestigious than in private business, although in urban areas this is changing fast.

*Gender*

- India continues to be a male-dominated society. Foreign businesswomen in international companies should experience few problems, but even in



apparently western-oriented local businesses (and particularly outside the office environment) women may not be accorded the same level of professional respect as men. Behaving in a professional, confident, and poised manner will help overcome some resistance against doing business with women.

- In restaurants waiters may expect male companions to order on behalf on women. This is not designed to indicate disrespect to women.
- Women should be prepared for personal questions about their age, marital status, and whether they have children. (These are common topics of conversation and are asked of both men and women).

*Team work*

- While technical expertise is important in most modern Indian businesses, Indian managers will also look highly on pre-existing social networks, and the ability to form harmonious and productive relationships with other

**Key Tip:** Be curious and open—it is OK to ask normal personal questions.

team members.

**Communication**

*Giving feedback*

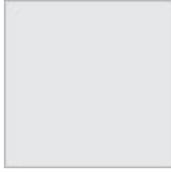
- In the government and some traditional companies, negative feedback is

sometimes still delivered through third-parties. While this is unlikely to be the case in multi-national or larger companies, business visitors need to be open to the possibility of third-party approaches and listen carefully to the messages being transmitted.

- It is important that any criticism about an individual’s ideas or work is constructive and avoids damaging that person’s self-esteem. Individual criticism in business situations must be done carefully and with sensitivity.
- Anglo-Saxon style ‘assertiveness’ can sometimes be seen as aggressive, which in turn can be interpreted as a sign of disrespect.
- The transparent flow of information is not a characteristic of Indian business culture. Indeed, in family-run companies the head of the family usually keeps firm control by limiting the distribution of information, even among family members. Be sensitive to your counterpart’s need to save face.

*Use of language*

- Indians tend to be enthusiastic about discussing politics and religion and may find bland pleasantries from a foreign guest somewhat patronising. Nevertheless, ill-informed or insensitive comments about controversial subjects (i.e. the AIDS crisis, dowry deaths, the Kashmir issue, etc) may appear to cast India in poor light and have the potential to cause embarrassment. Sticking to topics such as food, families and cricket is likely to avoid any risk.



Avoid talking (or joking) about sex or sex-related matters unless you know your contacts very well.

- A blunt 'no' is response to a question may carry a somewhat 'blunt' or 'brusque' undertone for Indians. As a result a vague and noncommittal answer such as "I'll try" or "We'll see" may well indicate that your counterpart is declining your request, or that your request may be unrealistic in nature and therefore may not get done. As in other cultures, creating a safe and comfortable work environment where it is okay to say 'no' without fear of retribution is likely to improve the clarity of workplace communication.
- If you are unclear what your

counterpart is saying, try to clarify as politely as possible. If you still are not clear change the context (i.e. go out to lunch) and ask again.

- If you have to decline an invitation or request be aware of how a direct refusal may sound to your counterpart. At the very least provide a reasonable explanation for your response.
- Humour in the workplace, particularly if it pokes fun at the organisation, senior staff members (or oneself), is something that may cause a certain amount of confusion in the traditional Indian workplace. Take care in your use of humour.
- Anticipate a specifically 'Indian' way of using spoken English, with a number of words and phrases that do not exist in US or UK versions of the language.
- The style of English used in official letters can also appear unfamiliar to westerners — somewhat wordy or excessively polite. It is not necessary to reproduce this style in your own business letters.
- Be aware of the need to read between the lines in communicating with some Indian contacts and counterparts—but ensure you get clarity for yourself,
- Do not compare your western salary and bonus to those in India. Avoid the subject completely unless you know your colleagues very well.

#### *Greetings*

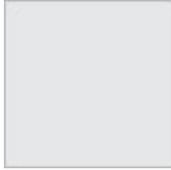
- In a group, greet the eldest person first.
- The value Indians attach to status

#### **Personal space in India.**

##### *A US expatriate's experience:*

"I soon discovered that a queue in India is not the same as in America. On visiting a tailor's shop I left a small, polite space between me and the lady in front of me. As more ladies came into the shop, they cut in front of me as though they had been there first. Having been a first grade teacher for fifteen years, I knew that cutting in line was absolutely wrong and I wasn't going to stand for any more of it."

"The next lady that entered the shop headed for that small, polite space in front of me. I quickly closed the gap and glared at her. She looked at me nonplussed and got in line behind me so close that I could feel her breathing on my neck and she was actually touching my body! Of course she hadn't cut in front of me and from her perspective she wasn't too close—it just seemed that way to me because I was applying my own cultural rules to the situation. Unfortunately, I was probably already being labelled "Ugly American" for glaring at her."



means that using professional or honorary titles is more important than elsewhere. If someone has a title, like Doctor or Professor, use it when greeting them. For those without professional titles, use courtesy titles such as "Mr.", "Mrs.", or "Miss." Even in international businesses it is probably safer to wait to be invited before addressing someone by his or her first name as first names are traditionally reserved for close friends.

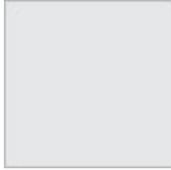
- In North India the use of surnames follows the same pattern as in western countries. For example, Ashish Arora would be addressed as Mr. Arora, or in informal situations as Ashish. In the five southern Indian states surnames are not used and the initials of the first name of the father, followed by a first name, are taken.
- Some Indians may use western sounding surnames. Christian Indians may have Biblical surnames, while Indians from the former Portuguese colony of Goa may have surnames of Portuguese origin.
- The suffix "ji" after a first or last name is a general term of respect. Being referred to as 'Tony-Ji' or 'Blair-Ji' would be the equivalent of addressing you as Mr Blair.
- Handshakes between both sexes are quite common in urban areas, however rural Indian men do not generally shake hands with or otherwise touch women who are not family members (as a gesture of respect for a woman's

dignity and privacy). Indian women who are familiar with international customs may offer their hands to foreigners as a courtesy. However, when meeting a woman, a man should wait for her to initiate a handshake. If she does not, smile and nod slightly.

- Indians generally ask permission before leaving other people. Showing respect for others (especially those who are older) is very important.

#### *Gestures and non-verbal communication*

- The right hand is usually used for cash transactions because it is considered auspicious. Avoid using the left hand when eating.
- The soles of feet are considered unclean: take care when crossing your legs not to show the soles, or point your feet at another person. You will be expected to apologise whenever your shoes or feet touch another person. (Paradoxically perhaps, touching the feet of the elderly is seen as a way of showing respect).
- Traditionally, many Indians have greeted each other (and said goodbye) with the 'namaste', which is formed by pressing the palms together (fingers up) below the chin and nodding the head. When greeting superiors or to show respect, a slight bow is added. The 'namaste' greeting is useful for foreigners in any circumstance in which a handshake might not be appropriate.
- In India, shaking the head from side to side is a visual way to communicate to



the speaker that you understand what they are saying and in many cases that you agree with them. This can appear similar to the western gesture for indicating disagreement. Clarify if you are uncertain what is being indicated.

- If you see people of the same sex holding hands, it is likely to be a sign of friendship and not necessarily sexuality.
- The Western gesture for come here (palm face up and moving as if you are throwing salt over your shoulder) is considered rude in India. The comparable Indian gesture is with the palm facing down and moving like you are doing the 'dog paddle'.
- Staring at strangers is a Western cultural taboo that does not carry the same weight in India. Many people feel quite free to stare at anything, or anyone, different. Most Western business visitors will experience intense, and disconcerting, staring. Interpreting this as rudeness is unproductive.

#### *Business Dress*

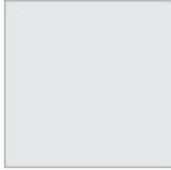
- As a general rule of thumb foreign business men should wear a suit and tie in business situations, although the jacket may be removed during the summer. For casual wear short-sleeved shirts and long trousers (not jeans) are appropriate.
- As a general rule of thumb, foreign business women should dress conservatively in business situations, avoiding skirts that rise above the knee

or sleeveless outfits.

- In the Hindu religion the cow is revered. Although in metropolitan cities it is common to see people carrying leather briefcases and handbags (and Indians in all parts of India wear footwear made from leather) it is sensible to avoid wearing or carrying anything made from leather when travelling to rural areas or visiting temples. This includes leather belts.
- Remove your shoes for places of worship, when visiting people's homes, and sometimes even in some shops and businesses. Look about, and if you see shoes arranged near the door, assume you should take yours off too.

#### Health and Hygiene

- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Make sure canned or bottled drinks ARE OPENED IN FRONT OF YOU
- Avoid tap water, fountain drinks, and ice cubes (it may be a bottled Coca-Cola you are drinking, but where has the ice come from?). If this is not possible, make water safer by both filtering through an "absolute 1 micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1 micron filters" are found in camping/outdoor supply shops.
- Buy bottled water from respectable outlets to guard against stomach upsets. Some of the better known brands are Bisleri, Kinley, Aqua Fina,

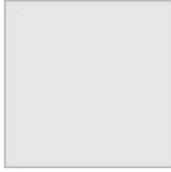


Himalaya etc. Make sure that the seal of the bottle is intact when you purchase it.

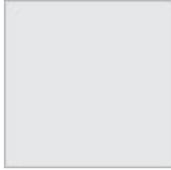
- Clean your teeth in bottled water as well.
- Watch out for spicy dishes, especially at the outset of your visit.
- Avoid: -
  - Any Pork products
  - Fresh fruit juices, since many tropical fruits blend into a pulp that you have to dilute with water and it is unlikely that the seller is adding expensive bottled water.
  - Any food from vendors or from road side stalls
  - Any garnishes to dishes made from raw vegetables
  - Dishes using excessive oil
  - Unpeeled fruits and fresh salads, especially in small hotels.
  - Fish, at any time during the Monsoon Season
- If you are forced to eat food at some place that you have doubts about (i.e. cheaper restaurants), make sure the food is freshly cooked and is served piping hot, and try to stick to the vegetarian option (as India has the best vegetarian food in the world this is unlikely to be a hardship)
- Wash your hands frequently
- Always use an insect repellent if you find yourself in a mosquito-prone area.
- If travelling in hot areas, remember to

drink enough water, use hats, sunglasses & UV lotions. Do not venture out in the mid day sun.

- Pharmacies or chemists are available in most towns and villages and you can buy medication.
- In India, most modern medicines are available over the counters in drugstores, but it is wise to travel with a reserve stock. If any prescription drugs are required, bring enough for the duration of the trip. It is advisable that you carry a small health kit which should include remedy for upset stomachs, some antiseptic cream, mosquito cream, suntan/uv lotion, etc.
- Every doctor or hospital in India will be acutely aware of the seriousness of the AIDS epidemic. Make sure any syringes used are disposable and properly sealed. If it makes you feel more comfortable, carry your own syringes in your checked-in baggage.



English	Hindi	Urdu	Arabic	Bengali	Punjabi
<b>Hello</b>	Namaste	Assalaam alaikum	Ahlan wa sahlan / Al salaam a' Laykum / Marhaba	Namaskar	Sasrigaar (truth is eternal) / Namaste
<b>Goodbye</b>	Namaste	Khudaa haafiz / Alwidaah	Ma'a salaema	Ta ta	Ferr mila-ge / Sasrigaar / Junga fai (informal) /
<b>Thank you</b>	Shukhriya	Shikriyaa / shukria	Shukran	Dhannabad	Shukriya
<b>You are welcome</b>	Namaste		Afwan	Apnaeko Dhan- nabad	Koi bath nai / Tusi swag tum
<b>Please</b>	Kripaya	Khush karna	Min fadlak (m) / Min fadlik (f)	Pleez/ Onugra- ha kore	Kirapa karr-k / Pleez (not gen- erally used) add ji to make it polite
<b>Good morning</b>	Namaste	Sub Bakhair	Sabah il-kheer	Namaskar	Sasrigaar / Na- maste
<b>Good evening</b>	Namaste	Shub Bakhair	Masa il-kheer	Namaskar	Sasrigaar / Na- maste
<b>How are you?</b>	Aap kaise haan?	Aapkaa kyaa haal hai? / Wsalam?	Kheif halak? (m) / Kheif halik? (f)	Kamon aacho?	Tusi kidaa ha? Aap kassa ha?
<b>My name is</b>	Mera naam (your name) hai	Meraa naam (your name) hai	Ismi (your name)	Amaar naam (your name)	Meraa naam (your name) ha
<b>Yes</b>	Haan/jii	Jee haan	Away or Naam	Hain	Haanji
<b>No</b>	Nahin	Nahin	La	Na	Naaji
<b>Sorry/excuse me</b>	Maaf kijiye	mafi mangna	an iznak (m) / an iznik (f)	Khauma koro	Kirpa karr-k menoo maaf karna?



### Activity Five—What went wrong?

*Read the following short incident and answer questions a) and b) below.*

Peter stood by his hotel window and watched the lights twinkling below. It was a quarter past nine in Mumbai. He had landed in the subcontinent a week ago for negotiations regarding a joint-venture with a medium-sized Indian firm. Peter's US-based organisation had been very excited at the prospect of working with the Indian firm and were optimistic about the outcome. Negotiations had started off quite well initially, but slowly problems and misunderstandings arose had arisen. Since his arrival Peter had attended several meetings and had expected a completed deal that morning, but it seemed like the Indian side did not feel rushed to come up with a workable deal and project plan. They had spent hours debating the objectives and long-term effects of the merger, but the discussions had rambled on and on without any concrete points being reached. Even after a certain decision was reached, the process was further prolonged by the necessity of going back to their senior colleagues for approval. Peter, in his frustration, had tried to speed up matters, as a lot more issues had to be addressed, but had the distinct impression that the Indians were putting obstacles in the way of finalising and implementing the deal.

At around the same time Robi, Peter's Indian counterpart, was also thinking about the joint venture. He was frustrated. While he liked his new American friend, he was surprised that Peter did not seem to be concerned about debating the finer concepts behind the deal. Robi was even beginning to question Peter's abilities and sincerity. Peter's sometimes tactless way of addressing senior members of the Indian negotiating team had made them feel distinctly uncomfortable and not respected. Many on the Indian side did not really actually trust Peter and the deal that he was proposing. Worse still, the more Peter pushed for a quick deal, the more suspicious Robi's colleagues became.

- a. *What went wrong?*
- b. *What would you have done differently?*



### Activity Six—Shopping

*Read the following short incident and answer questions a) and b) below.*

A woman is shopping for a royal blue sari. She enters the shop and asks the clerk if he has any royal blue saris. The clerk pulls out a navy sari. The woman shakes her head. He pulls out other shades of blue, but none are really royal blue. She continues to shake her head. He then begins to pull out purples, reds, greens and blacks. She looks at him in bewilderment and says that she just wants royal blue. He tries to convince her that one of these lovely saris will be perfect for her rather than tell her that he just does not have any royal blue.

The woman goes to a second shop. Rather than say "no", the second shopkeeper says, "Just a minute". He turns and speaks to his helper and the helper goes dashing off. The shopkeeper turns to the woman and says "five minutes?" The woman waits and sure enough the helper dashes back into the store with several royal blue saris that he has taken from other shops nearby. Thus, rather than say "no", he produces what she wants.

The third shopkeeper reacts to the woman who wants a blue sari in a totally different manner. He knows he doesn't have any royal blue saris, and that he is not getting any soon, but he says to the woman, "Tomorrow". She confirms with him that he will have royal blue saris tomorrow and he agrees. Tomorrow, the woman returns and he continues to tell her tomorrow. Finally, she realises that "tomorrow" is the closest thing to "no" that this shop owner will be able to say.

- a. *What Indian cultural characteristics underpin the reactions of the three shop owners?*



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