

The Role of Intercultural Competences in Central and South-East Europe Business Environment Development

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Abstract

Knowing and having awareness of how culture affects the values found in the workplace is of considerable importance for an international and European business and business environment which operates in different countries. Business process and practices may vary depending on cultural values which also determine attitude towards business.

The relation between culture and the values in the workplace has been accentuated in the studies by anthropologists, psychologists, linguists, sociologists, managerial and marketing experts. Their research and results are interesting for explaining intercultural competences as a multidisciplinary field.

Intercultural communication requires language knowledge as well as understanding of the shared rules of communicative behaviour and business environment. Language knowledge and communicative behaviour help overcome verbal and non-verbal acts accepted in each culture.

Intercultural competences examined in this paper could be compared to mosaic made of different pieces, but altogether they make up a particular masterpiece, specifically connected with the development of business environment, related to Central and South-east Europe.

Key Words: Cultural Values, Intercultural Communications, Business Environment, Communicative Behaviour, Verbal Communication, Non-Verbal Communication, Intercultural Competences.

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When we talk about Central and South-eastern Europe, it is necessary to locate this territory on the map of Europe first. This area spreads between five seas – The Arctic and The Baltic Sea in the north and The Adriatic, The Aegean, The Marmara and The Black Sea in the direction from the south to the east.

The central part of the landscape is defined by mountain ranges of the Alpes, the Rhodopes, the Carpatas, the Tatras, the Dinarides and the Balkans, as well as the big rivers such as the Danube, the Rhine, the Sava, the Tisa, the Main, the Drava, the Oder, the Wisla, the Vltava, the Laba, the Marica and the Morava.

Diverse and geometrically rich, this area has attracted many people, making them settle down and stop wandering in search of a more adequate dwelling. Through time settlements have changed, grouped and extended, following the flow of priorities and interests of the dwellers. Circulating around this area - going away and coming back, the inhabitants have mixed and changed, which is noticeable mostly in verbal communication in the form of language. Through loanwords, languages have preserved a vivid memory of human dwellings of a place.

Today, the territory of Central and Southeaster Europe comprises of different cultures, such as German, Polish, Czech, Slovak, Austrian, Swiss, Hungarian, Romanian, Moldavian, Slovenian, Croatian, Montenegrin, Serbian, Macedonian and Greek, from the north to the south respectively.

A necessary fact, which is reflected in the international and European business, as well as the business environment with business tasks in different countries, is having the knowledge and the awareness about the influence of culture upon the values of doing business. Business processes and practices can vary depending on the cultural values which determine the attitudes towards business management.

Determining the relation between cultural values and doing business in a business environment has been emphasized in the anthropological, sociological, psychological and linguistic studies, as well as in management and marketing researches, accentuating the multidisciplinary of this field.

Traditionally, grasping the teachings of different cultures implies a vast and multiple research which entails studying and reading different types of literature on cultures in the mother tongue, but also in the language of the culture we are studying - and not only diverse scientific, ethnologic, geographic, psychological, historical, economic, sociological literature, but also artistic and especially literary pieces. Moreover, we shouldn't forget learning foreign languages, watching national films and films about these cultures, listening to music and remembering the authentic song lyrics, as well as being able to perform folk dances and games characteristic of the culture we are grasping. Finally, getting to know the customs and immersing in a particular lifestyle, doing sports and trying out local gastronomic specialities, which is maybe the most pleasant part of this extensive research, is what should be in the focus of the researcher.

These studies involve an extensive individual preparation, a considerable amount of time, passion and a huge interest in a specific culture. In the world of management and business, the category of time may have an expire date, which has conditioned the existence of scientific research and the development of functional and operational models of analysing different cultures. These models could serve as guidelines for business people in a contemporary business environment, bringing about understanding of different cultures and above all, making business communication in the field of management, business and marketing easier. The applied research is especially interesting for the scientists in the area of socio-anthropology and it is always synchronized with almost all of the management functions planning, hiring, managing and control.¹

According to the universal, all-encompassing definition contained in many similar interpretations, culture is a system comprising of the acquired knowledge and beliefs of a certain group of people, who have an impact on the value system, creating attitudes, feelings and thoughts of that very group.²

Speaking more concisely, in the spirit of contemporary language, a Dutch cultural social-anthropologist in the field of management, Geert Hofstede defined culture as "the collective programming of the mind which distinguishes the members of one group or category of people from another."³

Since the very beginning of his research in the mid 1980s, Hofstede has gathered around 100 000 employees from a multinational company IBM, from forty countries around the world. According to the continuous research which is still being conducted, the number of countries has been increasing permanently, thus encompassing the oldest and the greatest cultures of all time. Thus, Hofstede has identified a value system as the basis and the essence of every individual culture. A value system is solid, non-changeable and easily perceived, but at the same time it is the source and the starting point of a single culture. Due to its hidden, but non-changeable character, it demands a continuous, precisely formulated research on the culturally and age varied respondents, in order to assemble and master the characteristics of a culture's key values. According to Hofstede, the more evident forms of culture are rituals, symbols and heroes, present in every single culture. Cultural forms and values can live among different cultures and those variations can be identified and explained through cultural dimensions. In the 20th century, Hofstede identified five dimensions and in the 21st century he revised them and added the sixth.

He named them adequately, according to the values they represent:

1. *Collectivism vs. Individualism* Collectivism is present in cultures which value strong, integrated and tightly-knit bonds between people of the same culture, usually in a complete harmony. Individualism is present in cultures which value loosely-knit interpersonal relations.

¹ Prof. Dr Milija Zečević, *Modern Management*, European University, 2011, Belgrade.

² Prof. Dr Olgica Zečević Stanojević, *Evropsko kulturno okruženje*, Evropski Univerzitet, 2007, Beograd

³ Geert Hofstede, *Culture's Consequences*, Sage, 2001.

2. *Masculinity vs. Femininity* Describes the dimension Femininity/ Masculinity. This dimension determine to which extent the dominant cultural values and relations among people (which strive for continuity and success in reaching business goals) value the quality of everyday life and a successful balance between the family and work, facts and emotions.
3. *Power distance* values the prevalence of unequal powers distribution and their acceptance in a particular culture.
4. *Avoiding insecurities* and uncertainties is an expression of tolerance and flexibility of cultures in ambiguous situations and an implication of a tendency for taking risks.
5. *Confucian work dynamism*, which is a long/short term orientation towards time and life, determines the relation of cultural values towards future results. Persistence and continuity in doing business, saving up and adjusting to the changeable circumstances, are all characteristic of a long-term orientation, while respect for tradition, national pride, big spending and achieving fast results, fixed norms, regardless of results, and rigidity of thinking are present in a short-term orientation.
6. *Indulgence vs. Restraint* values the relation between a culture and the gratification of human needs. Cultures that value indulgence, give more freedom to fulfilling basic human needs, they merit enjoying life and having fun. On the other hand, cultures that are based on restraint have strictly regulated social norms which determine the fulfilment of needs and desires of its people.

The result of Hofstede's cultural dimensions is the fact that people have different, explicit models of a value system, which are in accordance with human diversity and different aspects of human behaviour. They are also stable paradigms of comparative cultures and inter-cultural variety. The application of Hofstede's research on cultural dimensions has been appreciated, cited and applied many times in various fields – from cross-cultural psychology, intercultural communication, international marketing, international negotiations and spheres of international business management.⁴

In the results of cultural dimensions research, cultures of Central and South-eastern Europe show both similarities and differences.⁵

In the Distance of power dimension, cultures of Central Europe have a lower power distance (aprox. 11 in Austria and 46 in Hungary), while the South-eastern European cultures have a tendency of a higher Distance of power (aprox. 50 in Italy and 90 in Romania). Central European cultures are also individualistic (aprox. 80 in Hungary and 55 in Austria), while the countries of Southeastern Europe are more inclined towards collectivism (aprox. 30).

Masculinity cultures are dominant in Central Europe (aprox. 80 in Hungary and 57 in The Czech Republic), while South-eastern cultures are predominantly feminine (aprox. 43 in Serbia and 18 in Slovenia).

Uncertainty avoidance is found throughout Central and Eastern Europe (aprox. 65 in Germany and 92 in Serbia). When it comes to temporal orientation, the whole region is inclined towards the long-term orientation (aprox. 50 in Greece and 80 in Germany).

Between Indulgence and Restraint, Central and South-eastern Europe value the "golden mean" (aprox. 20 in Romania and 60 in Italy).

These dimensions faithfully represent the similarity of cultural values of this region, which explains, to some extent, the mutual understanding between cultures themselves, but also facilitates intercultural communication and develops the understanding of intercultural competences of the members of these cultures.

⁴ Geert Hofstede, *Dimensionalizing Cultures: The Hofstede Model in Context*, Online Readings In Psychology and Culture, 2011.

⁵ www.GeertHofstede.com, 2017.

Intercultural competences include intercultural communication, knowing the value system of different cultures (expressed and formulated by cultural dimensions) and skills of understanding and finding solutions in business and other types of cooperation with members of other cultures.

These competences involve a continuous work and progress in mastering these extensive, multidisciplinary skills.

Communication as an element of culture is understood differently in different cultures. In the cultures of the West (European, North American, South American and some Asian cultures), models of communication are interpreted as ideas transferred into symbols which can be expressed by verbal or nonverbal communication, i.e. by unspoken and unwritten symbols. Both verbal and nonverbal communications are part of a language system. That is why gestures are studied as a form of verbal symbols in a language and linguistics. Communication involves a wholesome process which includes a speaker, the process of speech, formulation (encoding) of the message, the content of the message, channels of message transmission, decoding, feedback and context.

In the spirit of Confucianism, civilizations of the East (mainly Asian cultures), regard communication as a continuous process of interpretation, in which the participants and interlocutors are in search of improved development of human relations.⁶

In this sense of different interpretations of intercultural communication, we should have in mind that the use of different symbols – verbal or nonverbal can be interpreted differently by the members of different cultures. On the territory of Central and South-east Europe, a typical example would be a head shake, which in Bulgaria means *yes* and in the rest of the cultures *no*. Conversely, head nod means *yes* for all the cultures, except for the Bulgarian, where this gesture means *no*.

In the first place, intercultural communication, demands the existence of a common language which can be understood by all the business associates. One's language can match the culture of the interlocutor, but it can also be different. Moreover, business associates must understand the ethos of the set rules; they must mutually accept the different value systems they come from and also they need to agree about the rules of doing business.

Each culture has its points of view and methods of doing business, which can be completely different in different cultures. Precisely those hidden differences make business cooperation hard. In order to interpret them, we need to know the verbal and often nonverbal signs of every communicative behaviour, characteristic for each nation. This has been precisely defined by a Russian linguist and multidisciplinary researcher I.A. Sternin as cooperation between cultures.

According to Sternin, communicative behaviour can be verbal, expressed by means of written and spoken word and nonverbal. Nonverbal communication includes signals, symptoms (doubt, joy, smile, curiosity...), symbols (social status, health) and signs (body language - mime, posture, tactfulness; spatial distance between the interlocutors; silence, gestures, approval, demonstrative, rhetoric signs...)

According to Sternin, communicative behaviour is an important component of national cultures, since it facilitates the process of getting to know and understanding specific linguocultural communities and mastering any foreign language. In his research, he pointed out the importance of the nonverbal component of distance in communicative behaviour. Some cultures of Central and South-eastern Europe have been included in the previous research. It is interesting that the distance increases or decreases depending on the mutual association of interlocutors. The mentioned categories in this research are acquaintance (stranger), as well as the situation they meet in (approaching, sitting, standing). A bigger distance is more present in cultures of Central than in cultures of South-eastern Europe.

The researchers of intercultural communication point out that communication, as a way of exchanging messages and meanings between the interlocutors, is mostly comprised of nonverbal messages (70%-90%), which are sent and received mainly on the subconscious level of perceiving and understanding. These messages are defined by situations and circumstances and their meaning is often unique, emotional and closely related to specific cultures.

⁶ Fred E. Jandt, *An Introduction to Intercultural Communication*, Sage, 2013.

In his research, Edward Hall⁷, an intercultural communications anthropologist, puts special emphasis on nonverbal signals, observing the cultures in mutual interaction, and groups them according to their reaction to time and space. In relation to time, Hall makes a distinction between *monochronic* cultures (people tend to do just one thing at a time) and *polychronic* cultures (people tend to do multiple things at the same time). In relation to space, Hall defines personal distance zone, which refers to the distance between the interlocutors in a certain culture, but he also defines space in relation to belonging and possessing, as well as signals which explain them.

Hall also emphasizes the necessity of being informed about other cultures, making a distinction between *high-context* and *low-context* cultures. High-context cultures are always informed and proficient in everything that is in scope of their interests, i.e. they understand the context well. Low-context cultures tend to always search for information, and for them nothing is implied. Low-context cultures are at the same time monochronic, they ask for bigger personal space and they clearly define their territory. High-context cultures are at the same time polychronic, they need smaller personal space, they are more tactful and they share their territory.

Cultures of Central Europe are monochronic and of a low-context, while the cultures of South-eastern Europe are mostly polychronic and of a high-context. However, if we look at the contexts lasting for hundreds of years, these dimensions between cultures have been similar and in the range of a golden mean”.

Nonverbal and unspoken messages and signals which spring from human characterology, psychology and cultural mentality are of crucial importance for success in business.

Some nonverbal signs, such as a smile and a frown can be biologically determined and universally understood among cultures. Today, the types of nonverbal communication are as follows: use of personal space, gestures, moves, facial expressions and eye contacts, relation to time, vocal characteristics (volume and tone), sighs, silence, tactfulness, physical appearance, attitude, clothing symbols, defending the territory and possession of territory, spatial organization and the use of smells.

When the biunivok communication is of the same intensity it is optimal and sustainable. Maybe that is the secret of a successful cooperation in management and business between Central and South-eastern Europe, since the two are bonded by a similar cultural mentality and a familiar and recognizable rational behaviour.

Developing cultural competences entails a continuous personal work and acquiring experience, which can often be emotionally and physically burdensome; nevertheless, it brings excellent results in situations of intercultural interactions, which are in the end worth of the invested efforts.

Curiosity, knowledge and awareness are, together with skills of intercultural communication and the knowledge of different cultural behaviour, the key elements of the intercultural competences. The intercultural competences presented in this work can be compared to the interdisciplinary mosaic created from various pieces which together form a unique work of art, particularly connected to the development of the business environment of Central and South-eastern Europe.

⁷ Edward T. Hall, *The Silent Language*, 1959.

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