

# Cross-Cultural Business Tips



Author Daniel Tschudy

Winning on the Cross Cultural Battlefields.

## No Walls needed for doing Business in Mexico

Cultural Intelligence (CQ) does not mean 'preaching' about how to do business across borders and cultures. Everybody knows, that at the end of the day, bridges are needed; not walls. So, whatever plans Presidential candidate Donald Trump has at the Southern US-border, such walls would not stimulate, but seriously handicap business transactions between the two countries. What is required is communication, and respect.

But communication also means relationship-building, and that's already one key to successful business with Mexicans. One needs to engage personally, and in an emotional and warm ambience. Just as the 'Cultural Orientation Model' from UK-author Richard Lewis ("When Cultures Collide") suggests by stating that Mexicans are multi-active and dialogue-oriented. Mexicans have a closer concept of personal space than do Americans and most Europeans, and backing away physically from Mexican businesspeople is considered unfriendly. Eye contact should be maintained.

Furthermore, presently a political topic in Europe, men should not initiate handshakes with women; women would do that. The greeting procedure is important too: upon initial introduction, Mexican businesspeople should be addressed by their professional title (Licenciado, Ingeniero, etc.) followed by their family name. If they do not have such a title or one does not know it, one should use courtesy titles, such as Señor. Lack of space in this newsletter, but there is much more to add about cultural values and behaviours; and it is worthwhile to obtain these data before initiating business.

Such cultural tips are not to be seen as useless or politically incorrect stereotyping but as pragmatic pre-information group-data for when launching business in Mexico.

### Big performer

Naturally, in every specific contact, relationship-building would then introduce the personal values and needs, and thus recommend how to handle business best with that individual counterpart. The other tool is respect, and one way of showing such is to appreciate the strong-points and performances of an interlocutor.

Talking business, Mexico's key trading partners are the US, Canada, and Japan. And in the global GDP rankings (OECD), the country officially named *Estados Unidos Mexicanos*, with its 120 mil. Inhabitants, is the fifteenth largest nominal GDP-country and the eleventh largest by purchasing power parity (World Bank).



The country is rich in minerals, such as gold, silver, copper and zinc; and petroleum, natural gas and timber are other valuable resources. Agriculture is important too, employing roughly one fourth of the workforce and being the 7<sup>th</sup> largest coffee-producer (ICO). And in recent years, the electronics industry came up strong; and tourism is vital too (Mexico is among the most visited countries in the world/WTO).

On the other hand, there are substantial environmental problems like deforestation, desertification, widespread erosion, and water- & air-pollution. Also, in spite of the size of the country, overpopulation especially in and around Mexico City, the capital, is perhaps the most serious problem of all. And as an upper-middle-income developing country, Mexico is faced with problems of unemployment (officially only at 4.3%), inflation, inequality; and illegal emigration to the United States. So, Trump is right when addressing the problems, but wrong when assuming that a wall would stop them.

Mexico's economy is tightly bound up with the USA and its 2'500 km Northern border is being crossed 20 million times each year. 85% of Mexico's exports and 70% of her imports are handled with America.

To use other stereotypes (again 'pre-information' only); Mexicans see themselves as great humanists and also artists (especially music, dancing and painting). And in fact, they consider their culture superior to that of the United States. In such a cultural environment, business should be launched not in a 'hard-sales-preaching' fashion, but through affection, compassion, and a certain acceptance of different values of space and time. Mexicans do not follow agendas rigidly and feel they can discuss any point when it seems opportune. They are less concerned about the completion or profitability of the deal; thinking much more long-term.

For Mexicans, successful business is all about creating a good number of long-lasting and reliable alliances. Buen negocio!

### About the Author



Daniel Tschudy is speaker, coach and consultant about cross-cultural issues and cross-border competences in the global business environment.

He focuses mainly on the emerging markets in Africa and Asia; and often features Japan and China.

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