

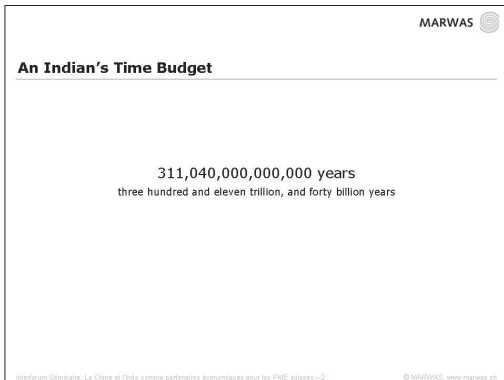
«Intercultural Challenges of Doing Business With Indian Partners»

Speech delivered by Waseem Hussain at interforum events 01 February & 06 February 2006

Good evening, ladies and gentlemen. I am delighted to be among your speakers tonight. Let me begin with an anecdote of a Swiss and an Indian businessman. The two gentlemen are on a business trip. They have boarded the aircraft and, by chance, are seated next to each other. After a short while they begin to converse.

The Indian asks his Swiss neighbour: «Where are you from?» and, upon hearing the answer he says: «Switzerland? What a beautiful country!» — The Swiss, quite happy to hear this, replies: «Yes, and we make the most precise watches in the world!» Then, the Swiss asks his neighbour: «Where are you from? From India? I have been there, too! On a business visit. What an ordeal! Tell me, why does everything in your country move so slowly?» — The Indian pauses for a moment. And then he says: «Indeed, you have watches. But we have time.»

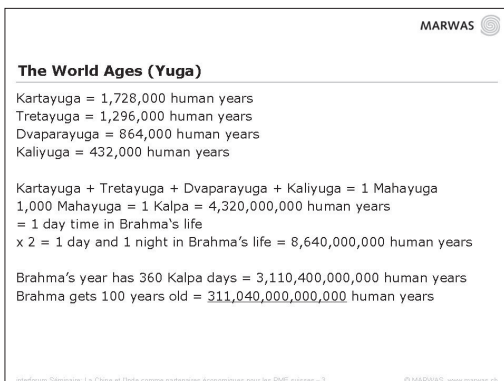
Here is how much time the Indian person has at his disposal:



An Indian's Time Budget

311,040,000,000,000 years
three hundred and eleven trillion, and forty billion years

You see, in the Hindu mythology, time is measured based on the span of life of Brahma the creator God. This is how:



The World Ages (Yuga)

Kartayuga = 1,728,000 human years
Tretayuga = 1,296,000 human years
Dvaparayuga = 864,000 human years
Kaliyuga = 432,000 human years

Kartayuga + Tretayuga + Dvaparayuga + Kaliyuga = 1 Mahayuga
1,000 Mahayuga = 1 Kalpa = 4,320,000,000 human years
= 1 day time in Brahma's life
x 2 = 1 day and 1 night in Brahma's life = 8,640,000,000 human years

Brahma's year has 360 Kalpa days = 3,110,400,000,000 human years
Brahma gets 100 years old = 311,040,000,000,000 human years

As you can see, Brahma takes His time. And because a Hindu person's aim in life is to attain a Brahma-like existence, he will also take his time. In Hindi, one of India's major languages, the term «kal» means yesterday as well as tomorrow. «Parson» means the day before yesterday as well as the day after tomorrow.

This, of course, has implications on project schedules and time budgets for negotiations. Time is one of those cultural factors that you need to address when doing business with Indian partners.

Just like the senior project manager who I recently counselled. His company had decided to outsource some of its software development to India. For obvious reasons: In India, as we all know, armies of highly talented IT experts are available at unparalleled rates. Or, in economic terms, the vast supply assures you low prices. Of course, any manager here in the West is pleased to know this. Because a Western manager who wants to be open-minded and efficiency-oriented persistently subscribes to the management dogma that you have to be faster and cheaper than your competitors — or they will eat you.

The more I listened to that Swiss project manager I realised that all his concerns were circled around time. He despaired because his Indian team members did not meet the previously agreed deadlines. I asked him: «Why is it so important for you that deadlines are met?» His reply was crystal clear: «Time is money.» In India, time is less often equated with money. When time is perceived as a limited resource planning your activities is an important task. In most cases, outsourcing to India is pursued because of

- Cost, which can be planned, calculated and measured
- Technical and/or industry know-how, which can be defined, procured and measured
- Quality, which can be defined, managed, certified and measured

Because these criteria can be so well planned and tracked and measured, the fulfilment of each of them can be expected. The unfortunate consequence, ladies and gentlemen, is that people expect the expectable. But what about the things which you cannot plan and are difficult to define or measure? How people will work together is beyond any prediction. Expecting an intercultural team to work smoothly together from the very start can be problematic.



Do you remember the Swiss project manager I mentioned? He was expecting what any sensible project manager would reasonably expect. But he had forgotten one important matter: Namely, that despite a high maturity of project and process management, of requirements engineering and quality assurance people need to apply these competencies out of free will and joy. I ran a series of intercultural trainings and cultural knowledge transfers with that client and his team. When you want to make people collaborate, you need time. In our case, we were able to capture the effects of our activities after one year, and I think the following statement by that project manager summarizes what we were able to achieve:

«When we began, hardly anyone of us liked working with our Indian colleagues. Today, we actively seek opportunities to work with them.»

This is why I propose to you, ladies and gentlemen, that in Swiss-Indian co-operations, intercultural competence is a key to successfully managing businesses and projects.

Intercultural competence specific to doing business in and with India means you act self-confidently and aware of the relevant factors. It also means you apply a managerial and personal style that others perceive as appropriate behaviour.

Intercultural competence will influence your style towards customers, employees and business partners as well as the way you deliver your services or sell your products. When your environment finds your style more appealing, you have a competitive advantage. This may sound complicated, but I can assure you, it is not. In essence, interculturally appropriate behaviour is

- Communicating clearly and requesting clarity in communication
- Asking questions
- Speaking your mind.

Let me tell you another anecdote. Lately, I received an e-mail from a lady who is the export manager of a Swiss mid-size enterprise that manufactures valves for the automotive industry. She was about to leave on a business trip to India. She had been reading a travel guide which suggested that one should adjust to local conventions. Fair enough.

In one of the chapters, however, she read that in India, you traditionally eat with your hands. And

when she turned to the list of do's and don't's, she learned that in India, the left hand is considered impure and that one should avoid using it.

The export manager was under pressure. Her boss had not only assigned her a delicate negotiation but also told her to have a business lunch with the Indian partner. The lunch really made her insecure. You see, she is left-handed.

She asked me how she could free herself from this dilemma. I think the core of the matter lies in the way she asked her question: How could she free herself?

To be free means enjoying the freedom to be who you are and how you are. To be left-handed, no matter whether you are in Switzerland or in India. This is why I advised the export manager to feel free when she is in India. When she returned from her business trip she sent me another e-mail. I quote:

«In the beginning, the negotiation was cumbersome. I had the impression that the Indian side was adamant. But I needed to get the maximum out of the talk. When we went for lunch I told my Indian host right from the beginning that I am left-handed. He wanted to know: Is this a part of Swiss table manners? I started to laugh and, with this, we engaged in a quite interesting conversation about the Swiss and the Indian culture. When we returned to the negotiating table, we had developed a good rapport with each other. Like this, we found tradeoffs which were acceptable for both sides.» Unquote.

What I like most about this news is that it confirmed an intercultural reality. Namely: When a non-Indian meets an Indian, the Indian does not expect to meet an Indian. Rather, a non-Indian.

This, ladies and gentlemen, means that when you do business with Indian partners

- Do accept and appreciate, but do not adapt the Indian way
- Negotiate hard
- Do not and do not let your counterpart hide behind price advantage, processes, certifications, or TQM
- Keep in mind: Every business is a people's business

Thank you for your attention.