

Russian Business Etiquette

Ref:551.65/bjt

22.09.2013

General Remarks

- Be aware that many younger managers, especially in big cities, are educated in Western Europe or the United States and may be perfectly familiar with western business etiquette, while others stick to the soviet style. Therefore, it is always important to be flexible and to comply with the actual situation.
- Russians are even in business very people oriented. Therefore it is important to gain the confidence of your business partners.
- The hierarchy plays an important role in Russian business structures and means that the decision makers higher up have authority over their subordinates. Showing respect for seniority and recognising the hierarchical structure is vital for establishing and maintaining strong business relationships. However, the nature of the collective often encourages a flexible and democratic work ethos.
- Informal contacts (like dinners at home or in the restaurants, excursions, visit to the theatre, etc.) are an integral part of doing business in Russia.
- Sometimes Russian business partners tend to promise more than they can fulfil. Try to sort out whether your counterpart is really the decisions maker for the question you would like to settle.
- Russians do not really believe in win-win situations. They can act very tough in advancing their interest. On your side you should avoid both extremes: Too much friendliness will make them think you are in a weak position. On the other hand it is not recommended to put too much pressure on Russian business partners as you should avoid giving them the impression that they lose their face. A firm but friendly attitude with the right timing for insisting and compromising is usually the best tactic.
- Demonstrate unanimity among your team.
- Russians often show their emotions and react positive if their counterparts does alike.
- Relations are very important in Russia. Don't hesitate to ask your friends and partners to bring you in contact with the one or other person.
- Good things need time. Business in Russia is often very time-consuming and negotiations can go on for several months even if the Russian part is very interested in the deal.
- Elegant and appropriate clothing is of great importance for Russians in business as well as in free time.
- Business cards are essential. If possible, ensure that one side is printed in Russian and one side in English.
- Bring a gift that symbolizes the stature of your company and the importance of the impending business deal, preferably an item characteristic of your local area or one that displays the company logo.
- Small talk normally involves talk of family and personal matters and is usually used as an introduction before dealing with business. Russians appreciate your knowledge of their country and culture.
- The Russians attitude to time means that a few minutes delay on their part is of little importance. However, they will expect you to be punctual.
- Don't praise or reward anyone in public as it may be viewed with suspicion or cause envy and jealousy. Remember the collective rules over the individual.

Business Negotiations in Russia

- Meetings can be held in a very formal or in an informal way as well as in a combination of both. Although some principal issues can be discussed in an unofficial environment, final negotiations will be conducted in the office.
- Shake hands firmly when greeting and leaving your Russian partners and make direct eye contact.
- Generally, when beginning a meeting, the head of the organisation will open the discussion and introductions should then be made in order of importance.
- Physical contact during business meetings, for example a simple hand on the arm or even embracing is a positive sign. There is no word for 'privacy' in Russia; therefore the notion of social space is much closer in Russia.
- Presentations should be straightforward and comprehensible.
- Don't as the Russian proverb states 'hurry to reply', but 'hurry to listen'.
- Russians usually answer to phone calls even during important negotiations at least to tell that they will call back later.
- Be careful to announce your sales plans very clearly at the beginning from the negotiations. Russians sometimes consider such statements as aggression.
- On the other hand you should also avoid appearing too friendly at the initial stage of negotiations. Continues smiling might be taxed as suspicious.
- In situations of conflict try to avoid taking an official stance and remember that Russians are 'people orientated' and will respond to a more personal approach.
- Russians usually do not like to negotiate on prices and conditions, but make sure that you reach a clear agreement for all important matters.
- Although many principal concerns are discussed in an informal environment, final negotiations will be conducted in the office.
- Paperwork and putting pen to paper is an essential part of all working practices in Russia. In general, they have little faith in unsigned documents.
- If you feel that your negotiations are getting stacked it can help to postpone them. Even if you do not reach an agreement, it is important to nurture contact for future business.