



## **International Business Communications LCBB6001**

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## Table of Contents

|                                                                                                                                        |    |
|----------------------------------------------------------------------------------------------------------------------------------------|----|
| 1.0 Introduction.....                                                                                                                  | 3  |
| 2.0 Introduction to the selected organisation (HBSB) .....                                                                             | 3  |
| 3.0 Evaluation of Germany for HSBC's Expansion.....                                                                                    | 4  |
| 4.0 Evaluation of Switzerland Country facts to understand further the cultural differences<br>such as social contexts and profile..... | 7  |
| 5.0 Discussion and analysis of the communication barriers the British business could<br>experience .....                               | 9  |
| 6.0 Recommendation: Germany .....                                                                                                      | 11 |
| 7.0 Conclusion .....                                                                                                                   | 13 |
| 8.0 References.....                                                                                                                    | 14 |

## **1.0 Introduction**

International Business Communications helps understand people to communicate with from different cultures (Adler and Graham, 2017). Effective communication is one of the cornerstones for establishing fruitful relationships and doing business successfully in this changing international business environment. (Buehler et al., 2017). Understanding the complex subtleties of speaking styles and cultural demands, cultural awareness and adaptability have become vital entry points for businesses into the global marketplace, mainly British firms looking to build a firm place on the world stage. This report aims to evaluate two EU countries, including the social contexts and profiles, language, possible risks, and labour outlooks, such as diversity of backgrounds within the workforce using Samovar. The report will also evaluate and analyse the communication barriers the British business could experience. The report will then recommend which country the British company (HBSB) should enter and strategies to overcome the challenges to enable the organisation to succeed in providing a positive environment for everyone to grow. Lastly, they give a conclusion summarising the key points.

## **2.0 Introduction to the selected organisation (HBSB)**

HSBC is one of the world's largest banking and financial services organisations, headquartered in London. Founded in 1865, HSBC has become a global giant with operations spanning over 60 countries and markets (Cao et al., 2020). By helping customers choose from the opportunities and connecting them with possibilities, HSBC has achieved a global reputation for financial expertise and innovation. It caters to a broad spectrum of clientele, from individual and small businesses to multinational corporations. The organisation provides banking, wealth management, and insurance services on a full-service basis (Buehler et al., 2017). Personal Dedication to Sustainability and Social Responsibility Shaping the Financial Landscape with Emphasis on Technical Development HSBC has based its longstanding emphasis on integrity, concentration, and customer focus.

### **3.0 Evaluation of Germany for HSBC's Expansion**

#### **Country Facts, Cultural Differences and Social Contexts Language, risks and labour**

Germany sits in the middle of Europe, and its strong economy is a cornerstone of the world economy. Its economy remains the largest one in Europe. It has a population of over 83 million. It also has High living standards and a robust social welfare system (Chowdhury and Islam, 2020). The cultural image of the nation, formed as a result of a long history, is conservative and forward-looking. With most people proficient in English, especially for doing business, German's official language of German makes relatively free international exchange possible even for companies like HSBC. Germany, which is economically stable and influential worldwide, appeals to HSBC's plans for expansion.

Language, risks, and labour Outlook Nations with much economic prowess and engineering excellence, such as Germany, serve as prime examples of countries where all these factors converge to create a dynamic workforce (Byram et al., 2018). German is the primary language used. The use of language is an essential factor in Germany's labour. English is on the rise, particularly in high-tech and multinational enterprises, but still, German reigns supreme in business and everyday life. Like any booming economy, Germany is not without its risks. The country's risks include Economic uncertainties, geopolitical tensions, and technological disruptions. Industries dependent on foreign trade may be hit hard by geopolitical instability because the country's over-dependence on exports makes it susceptible to global economic developments.

Furthermore, there are opportunities and threats in the face of continuing digitalisation. The need is for a capable workforce that can ride the surf of wave after wave of technological innovation. One aspect of the labour outlook in Germany is diversity within the workforce (Musile et al., 2018). Over the last few years, Germany has promoted diversity and inclusion,

realising the advantages of having a mixed workforce. Diversity, equal opportunity, and multiculturalism have become integral to corporate strategy. Charta der Vielfalt (Diversity Charter) is just one of the numerous initiatives by German companies to promote a workplace environment that appreciates diversity in background, gender, and outlook.

Moreover, Germany's vocational education and apprenticeship system links education and employment (Musile et al., 2018). This system helps build a skilled, specialised labour force that keeps up with the needs of the industry. The emphasis on practical skills and theoretical knowledge improves employability and ensures future supplies of talented people.

### **Overview of Samovar cultural model**

The Samovar cultural model, developed by Samovar and Porter, examines intercultural communication through its significant components. Language nuances, verbal variations (high/low-context) and individualism vs. collectivism of these, time orientation (monochronism or polychronism), power distance, uncertainty avoidance, individual perception, ethnocentrism awareness, cultural shock, and adaptability (Rosdiana, 2019). It helps us to understand cultural differences by exploring the complicated dynamics at work in different cultures so that we might communicate more effectively.

### **Evaluation of Germany using Samovar**

#### **Communication Styles**

High-Context and Low-Context communication styles are the focus of the Samovar framework. German communication is Low-Context, where information is communicated directly and explicitly. Germans stress precision and clarity in communication (Rosdiana, 2019). This is clear from their tendencies to communicate well in a structured, detailed, and unambiguous manner. Workplace efficiency and effectiveness often come from task-oriented meetings and conversations.

## **Cultural Values**

Germany displays individualism, strongly emphasising achievement, autonomy, and self-expression. Although teamwork is emphasised, individual accomplishments and contributions are encouraged and rewarded (Buehler et al., 2017). Germans, too, espouse a relatively low power distance. Socially and professionally, they advocate equality and aim for democracy—collective decision and less prominent hierarchical structure than some other cultures.

## **Management Practices**

German management approaches fall at the task-oriented end of the spectrum. Efficiency, organisation, and a clear mission are emphasised (Brannen et al., 2017). Rational decision-making, according to objective criteria. However, building trust and relationships is integral to any task-oriented environment. Building personal relationships and seeing the human side of work helps achieve better cooperation.

## **Temporal Orientation**

Germany is a monochronic culture, where punctuality and efficiency are essential, as well as time management (Wang et al., 2017). All meetings and schedules are carefully adhered to, emphasising prudent planning and the importance of others' time. This is part of the overall productivity and meticulousness of German work culture.

## **Social Etiquette**

Social etiquette in Germany is always rather formal and polite, very alert to personal space. In the professional world, handshakes are the norm, and people address each other by their titles and surnames (Wang et al., 2017). However, understanding and following these social norms makes for effective communication and communion.

## **4.0 Evaluation of Switzerland Country facts to understand further the cultural differences such as social contexts and profile**

### **Country Facts, Cultural Differences and Social Contexts Language, risks and labour**

Switzerland, a country in the centre of Europe and landlocked by Germany, France, Italy, and Austria, comprises a solid cultural fabric woven from various people (Adler and Graham, 2017). The country is divided into linguistic regions. Cultural nuances vary in each linguistic area, and the cultures of these areas form a mosaic within the national climate.

**Political Structure and Neutrality:** Switzerland's political structure, which bases itself on federalism and emphasises direct democracy, is a significant factor in shaping such norms. Commitment as a neutral state in international disputes has been an essential ingredient of the Swiss national identity, leading them to be pragmatic and peace-loving (Trudeau and McLarney, 2017). **Cultural Values:** Switzerland is most often associated with punctuality, precision, and a strong work ethic. Such traits are part of the Swiss cultural fibre, emphasizing professionalism and dependability. **Social Structure and Multiculturalism:** Switzerland's structure is stable and prosperous. Swissness is based on the ideals of community, order, and respect for diversity (Trudeau and McLarney, 2017). Although a small country, Switzerland has one of the most international business environments and renowned educational institutions; people from all over the world gather here to live together in a cosmopolitan environment. **Cultural Celebrations and Traditions:** Vivid celebrations and traditions constitute a living part of Switzerland's cultural calendar, often tied to local folklore or historical events (Rosdiana, 2019). Fasnacht celebrated in Basel, the Montreux Jazz Festival, and the Geneva International Motor Show, reflecting a colourful tapestry of cultural expression across different regions. These celebrations afford insight into the cultural pride and creativity that exists within Swiss society.

Social Etiquette and Communication: Switzerland's colonial style is polite, and people expect others to respect their personal space (Wang et al., 2017). Punctuality is a virtue, and communication is direct. Linguistic diversity also impacts communicative styles, with the nuances of language reflecting local cultural conventions.

### **Language, Possible Risks and Labour Outlooks and Diversity:**

The country has four official languages: German, French, Italian and Romansh. Switzerland's linguistic diversity also affects its workforce. Switzerland's strong economy is facing risks. As an international financial centre, it is somewhat vulnerable to economic instability in the finance and banking industries. Furthermore, the country's reliance on exports puts it under pressure from fluctuations in international trade (Smith et al., 2018). Maintaining a balance between its international economic relations and possible external risks is critical to the stability of Switzerland's labour market. Switzerland has a highly qualified workforce and an intense focus on vocational education. Its firm innovation and technology policy also creates a need for high-tech personnel specialising in engineering, finance, or pharmaceuticals.

### **Using the Samovar to evaluate Switzerland**

#### **Communication Styles**

With its multilingualism (German, French, Italian and Romansh), Switzerland communicates in a more direct and low-context style (Tenzer et al., 2017). Although the Swiss value clarity and precision, each linguistic area has its small differences in communication. It stresses that open communication conforms to low-context norms, as depicted in Samovar's framework.

#### **Cultural Values**

Switzerland shows a balanced degree of individualism and collectivism. There is a powerful sense of national identity, but every linguistic region has its own cultural identity (Chowdhury

and Islam, 2020). While each individual's achievements are prized, there is also a collective effort to keep Switzerland the neutral and stable country it has always been. Power distance is moderate in the Swiss cultural landscape, and decision-making processes are amicable.

### **Management Practices**

Switzerland's management style is balanced between relation-oriented and task-oriented styles. The Swiss stress efficiency and task completion, but building solid professional relationships is just as important (Tenzer et al., 2017). Participation and consensus-building in decision-making are joint. This path integrates the advantages of task-oriented management with those of relationship-oriented management.

### **Temporal Orientation**

Switzerland is known for its punctuality, efficiency, and concentration, which belong to the monochronic temporal orientation (Luo and Shenkar, 2017). The value of time is emphasised, and schedules are executed scrupulously. These time-oriented characteristics give the Swiss work culture its overall effectiveness and reliability.

### **Social Etiquette**

Switzerland exhibits formal social etiquette. Among the hallmarks of Swiss culture are politeness and respect. Valuing personal space, most contact is made by shaking hands. Also, it is usual to call people by their titles and surnames so that there is a formality in the social contact.

## **5.0 Discussion and analysis of the communication barriers the British business could experience**

### **Multilingual Dynamics**

Switzerland has constitutional official languages of German, French, Italian, and Romansh. Its linguistic diversity adds a layer of complexity to communication. With many businesses using English, proficiency levels and stereotypes about language can differ from one linguistic region to another (Smith et al., 2018). British companies must operate in this multilingual environment, acknowledging that communication problems could arise from the peculiarities of language. Germany values German as their language, and while the English level in Germany is usually good, there are variations in how it's used. Those differences between British and German English speakers can sometimes be a problem.

### **Communication Styles**

Germany's direct communication reflects a cultural tradition that prides itself on precision and clarity. This natural approach may appear easy to British businesses at first, but because of the differences in nuances of communication between cultures, it can all too easily lead to misunderstanding (Sharma et al., 2020). Within Switzerland, directness and diplomacy differ according to dialects, so flexibility is necessary. These nuanced communication styles require British businesses to be sensitive to cultural signals, and Janet feels this will lead to effective communication channels.

### **Business Etiquette and Decision-Making**

Business etiquette and decision-making in the United Kingdom, Germany, and Switzerland differ significantly. Germany's business environment is dominated by efficiency and professionalism, with most decisions being structured and hierarchical (Brown et al., 2018). Unlike Switzerland, with its cultural diversity, consensus-oriented decision-making has more elements of cooperation. With this, HBSC must adjust its tactics to suit. They need to understand and respect each country's business etiquette and decision-making norms.

### **Non-Verbal Communication**

In Germany, as well as in Switzerland, knowing how to read non-verbal cues is essential. Although generally very open, German communication can have its subtleties. In Switzerland, where an inwardly oriented communication style prevails, non-verbal signals are necessary for expressing thoughts and feelings (Brown et al., 2018). British businesses must develop cultural fluency to properly understand these non-verbal communication nuances. Such a capability will improve communications and strengthen relationships between both sides.

### **Cultural Sensitivity and Relationship Building**

In both Germany and Switzerland, cultural sensitivity is vital. Acknowledging interpersonal relationships in the German commercial environment, perhaps even a balance between professionalism and personalised touches may be necessary (Sharma et al., 2020). In Switzerland's cultural melting pot, respecting differences and getting along with everybody is critical to effective relationship-building. HSBC should devote more effort to building relationships, reflecting cultural sensitivities, and acclaiming the culture-specific values that underlie each country.

### **6.0 Recommendation: Germany**

Taking a selective look through the Samovar Cultural Communication Analysis Framework, it is clear that HSBC should consider Germany. The nation's sound economic fundamentals, highly skilled workforce, and dedication to fostering technological development support HSBC's global priorities. The Samovar approach emphasises Germany's affinity for low-context communication. An emphasis on clear and precise communication is perfectly coherent with HSBC's communications style (Koopmans, 2018). Germany also has strong Economic Strength and Technological Alignment, providing HSBC with a safe and profitable market. And the nation's determination to promote technological innovation naturally reflects HSBC's ambition to offer cutting-edge financial services. HSBC's communication style emphasises

clarity and explicitness (Koopmans, 2018). The Samovar framework reflects Germany's tendency toward low-context communication. This joint agreement facilitates effective, clear communication, a prerequisite for survival in the German business.

## **Risks and Mitigation Strategies**

### **Regulatory Complexity**

Germany's financial regulations demand precision. Therefore, HSBC can handle this challenge by setting up a special compliance team (Byram et al., 2018). This team would take the maze of regulations and steer the bank through its compliance with the strict standards of German financial regulation.

### **Cultural Nuances**

Based on The Samovar framework analysis of Germany, it prefers low-context communication. HSBC should invest in cultural sensitivity training (Byram et al., 2018). Through this initiative, the workforce would be able to understand cultural differences and thus avoid misinterpreting gestures, actions, or expressions. The two sides could develop better working relationships as a result.

### **Language Considerations**

Even though most people in Germany know English, localisation of communication is a crucial point. If HSBC provides materials in German and utilises bilingual staff, this will strengthen its market presence (Chowdhury & Islam, 2020). This strategy can successfully solve language problems, allowing clear communication with clients and community members.

## **Positive Environment Strategies:**

### **Diversity and Inclusion Initiatives**

Using Germany's changing workforce landscape, HSBC should actively promote diversity and inclusion (Adler & Graham, 2017). This environment is also consistent with the Samovar framework's emphasis on individualism to create a positive and inclusive workplace.

### **Collaboration with Local Communities**

One way to demonstrate HSBC's social responsibility involves interacting with local communities (Brannen et al., 2017). Partnerships with German organisations and active participation in community initiatives don't simply stop at business, benefiting the bank's image and promoting harmony in the communities it serves. This cooperative way of working will strengthen HSBC's position as a responsible corporate citizen in the German market.

## **7.0 Conclusion**

This report has evaluated Germany's and Switzerland's cultures, languages, and societies, considering them potential HSBC markets. Switzerland has stability, neutrality, and a primarily multilingual workforce, making it a choice for expansion. However, Germany is best suited for HSBC's expansion. The Samovar framework revealed Germany's strong affinity toward low-context communications, characterising business dealings with outstanding clarity and precision. Germany has a strong economy, skilled workforce, and new technology that perfectly complements HSBC's global goals. For HSBC to successfully expand into this market, it should ensure setting up a compliance unit to deal with legal complexities and providing cultural training for employees to adopt, ensuring inclusivity and a positive workplace. At the same time, English should be used as the official communication language for HSBC, localised communication methods also need to be considered. Furthermore, policies aimed at promoting diversity and inclusion combined with cooperation with local communities should be used by the company to create a favourable environment in Germany.

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