

# Cross Cultural Business

Global business play field used to be mostly dominated by international large corporations

Today, The same global business environment has opened doors to small businesses , giving startups companies many opportunities to make international businesses as well

**Going international for startups means getting in cross cultural environment.**

# **Cross Cultural challenges**

## **. Cross cultural communication with workforce**

might effect and change company culture and the spirit of a startup

## **. Cross cultural communication with environment**

might effect on company business success

Whether it's crossed arms at a meeting or an informal response, the simplest of gestures can mean the difference between getting an international deal or going home with nothing for your trouble

# Cultural Training for workforce

- **Startups have a very high tolerance for uncertainty (low uncertainty avoidance)**

*There is a frontier spirit to a startup that need to be protected from change in cross cultural workforce relations*

- **Startups have low power-distances**

*Having a flat culture is important, especially in the face of uncertainty, Cross cultural issues will require more special attention for making sure information flows 'uphill' as freely as possible*

- **Startups are highly collective enterprises**

*When everyone's working as a tight-knit team, it's easy to spot who isn't pulling their weight, if cultural diversity remains unmanaged, free-riders might find a place and weaken teamwork.*

# **What effect a cross cultural environment might have on a Startup Business success?**

We can see very large corporations today that started as small startup companies and grow rapidly in some countries while other countries have seen very few.

**Therefore starting location simply, matters.**

National cultural dimensions theory by Geert Hofstede describes effects of a society's culture on values and behavior of its members.

Hofstede analysis results can guide small businesses to find proper locations to become an international success.

# Study of the differences between cultures

- power distance index
- individualism index
- uncertainty avoidance scores
- masculinity score
- long term orientation scores
- indulgence scores
- <https://geert-hofstede.com>

Thank you