

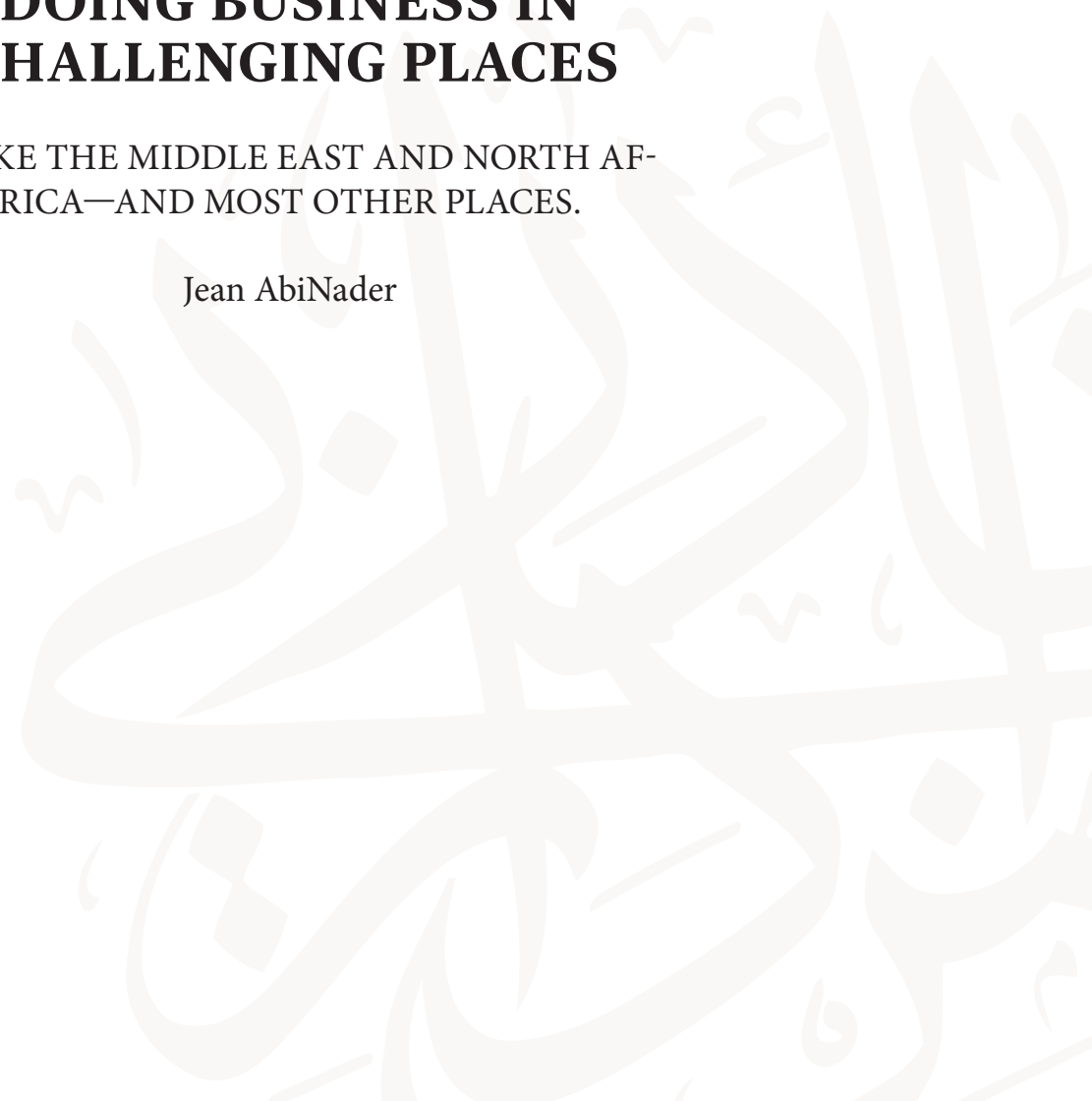


AbiNader
ADVISORY SERVICES

**SMART STAR:
INSIGHTS INTO
DOING BUSINESS IN
CHALLENGING PLACES**

...LIKE THE MIDDLE EAST AND NORTH AF-
RICA—AND MOST OTHER PLACES.

Jean AbiNader





THE SMART STAR

Over the years, the number of “how to do business in ...” publications has proliferated in response to the demand for quick and easy answers to help representatives of American companies be successful overseas. Global trade and investment continues to be an indispensable ingredient in US economic growth; and being **SMART** about other markets may mean the difference between success and failure. Despite the fact that a great deal of one’s behavior is idiosyncratic, there are five areas of awareness that are critical for knowing the *who, what, when, how, and with whom* variations of doing business. All of this is what we call **cultural competence**; that is, awareness of how cultures interact, understanding why cultures prefer certain behaviors, and the willingness and ability to adapt one’s behaviors in order to be effective in a cultural context other than one’s own. Awareness + understanding + adaptive behaviors = cultural competence, an essential skill set for anyone doing international business.





MOTIVATION/SURVIVAL IMPERATIVE

S: is for State and Society

Knowing how the target market/country works and what matters to the people you're dealing with requires more homework when you cross cultural boundaries. Generally, the other party knows more about Americans than we know about them – a mixed blessing since their stereotypes may be no more useful than ours.

Who's in charge in the government and private sector, what they care about, what ties exist between local officials and companies, how did it get this way – all of these are important facts to master, both in terms of current and historical highlights. While you may start with the CIA Factbook or Wikipedia, SMART learning points out the nuances of this knowledge, giving you insights into the players, the system, and how it works.



M: is for Market

How the economy functions both in terms of policy and practice and how you can protect your company is critical information. Keeping up with changes in government priorities, key private sector players, and US foreign policy in the country and region are just some of the intelligence gathering areas that may make the difference between making money and being taken advantage of. “Follow the money” is one rule of thumb. Look at where investors, private and institutional, including the World Bank and other multilateral organizations, are putting their money. Make sure to check in with OPIC and EX-IM Bank. It’s your tax money so pay attention to how it’s being used!

A: is for Actions

How local decision-makers operate, how they get things done, who they rely on, and the do’s and don’ts for foreigners are all important pots of intelligence. Ask around; visit the US Embassy; talk with those who have been successful before; make sure you have a knowledgeable expert to serve as your reality check. Obviously, decisions are being made constantly. Learn how to get the answers you want by adopting behaviors that will help you be effective. Verbal and non-verbal behaviors, business protocols, managing conflict, and the appropriate negotiating tactics are among the ACTIONS to be mastered.

R: is for Relations

Among the key concerns: how to build effective relationship and with whom. This requires you to learn how to prioritize relations as to how important they are and why; understand how status, gender, and minority issues may or may not affect your company’s standing; know to some degree of certainty the range of relationships among the public and private sectors relevant to your work; and don’t forget expectations: of you as an individual and representative of your company, and your organization’s expectations of you!

T: is for The Rules of Game



The most dynamic area in emerging markets is the growth of regulations governing transactions. Behind these “official” regimes are local practices that still function in helpful and often confounding ways. Good data gathering from insightful sources will ensure that you’re at least knowledgeable and up-to-date. Check on their rules for each other and for outsiders in doing business including: religion, courts, legal and labor issues, transparency concerns, and what the company needs to know about the local and expatriate business communities and how they operate. Try to avoid meeting your counterpart’s wish list by defining your product, service, proposed relationship, or offering as “what’s best for them, and what’s in their interests.” With an intelligent client, it may be counterproductive to use that approach without really understanding their perceptions of the deal. We end up sounding patronizing and glib, at best.

While taking the time to get SMART about your target markets may not solve all the challenges of doing business internationally, your growth in cultural competence will definitely make your STAR material!