



International Business Etiquette and Protocols

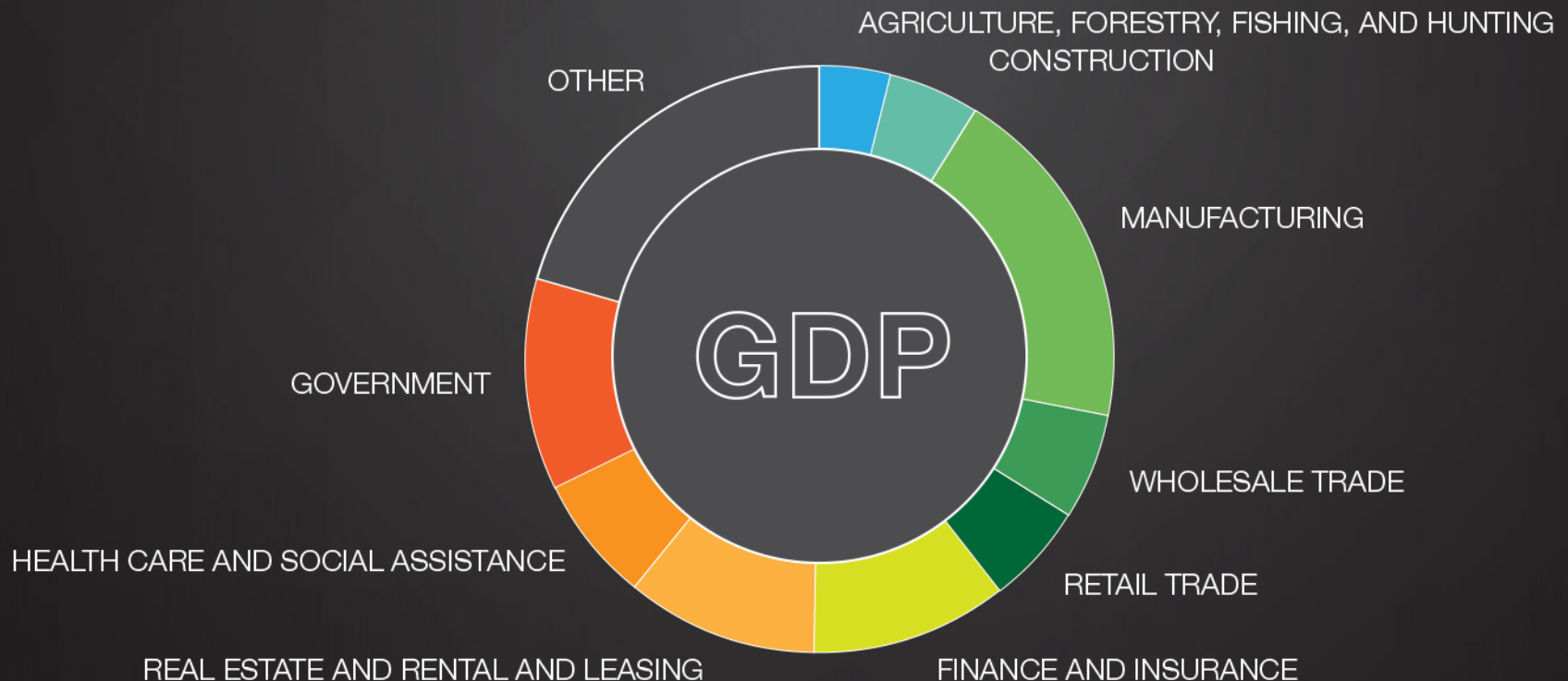
presentation for

The Iowa Legislature
International Relations Committee

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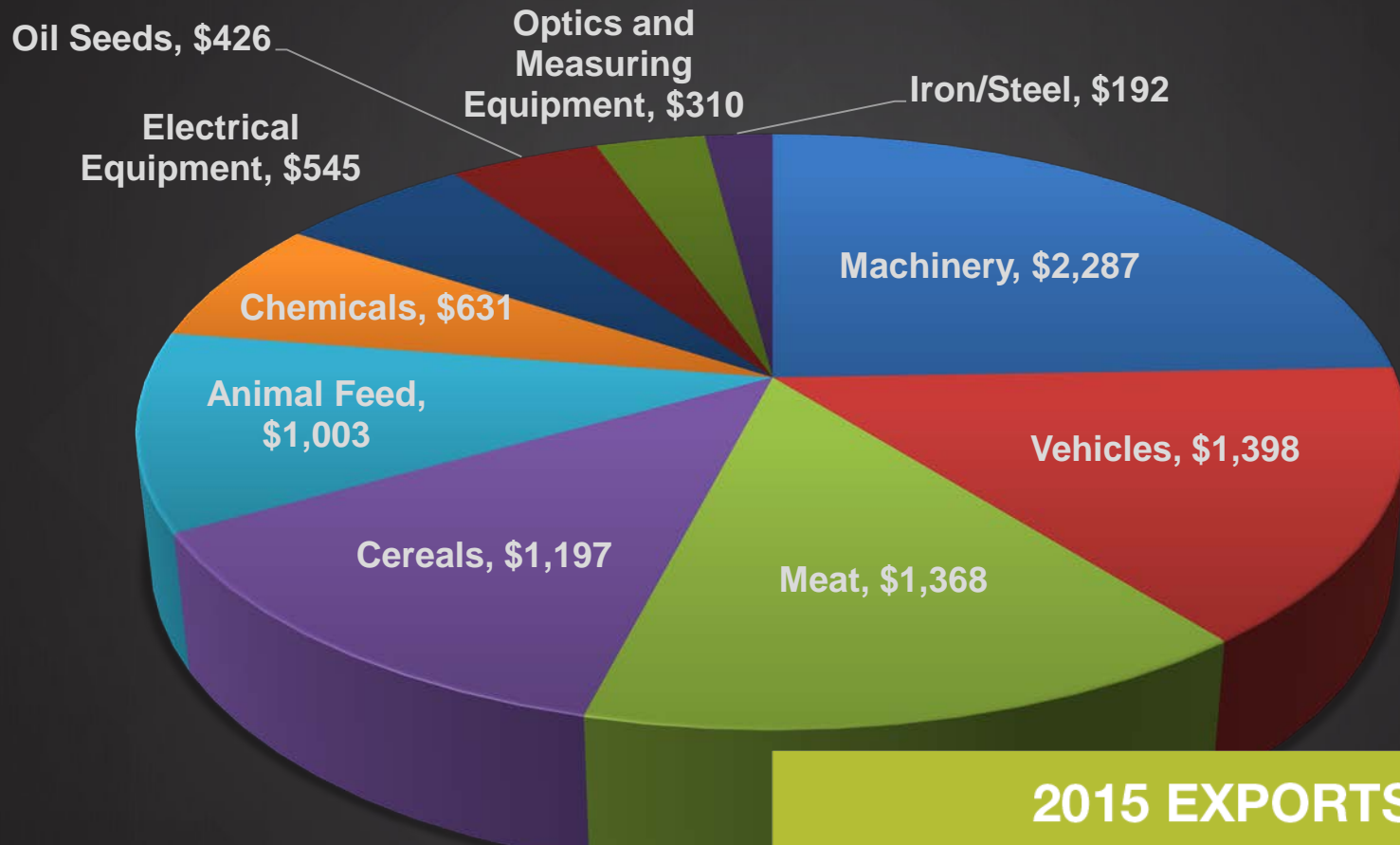
Iowa's Economy

- » Iowa's GDP in 2015 was \$171.5 billion
- » One of only a few states currently holding a AAA rating
- » Among the top 5 for "best run" states



Iowa Exports

In Millions of USD (2015)

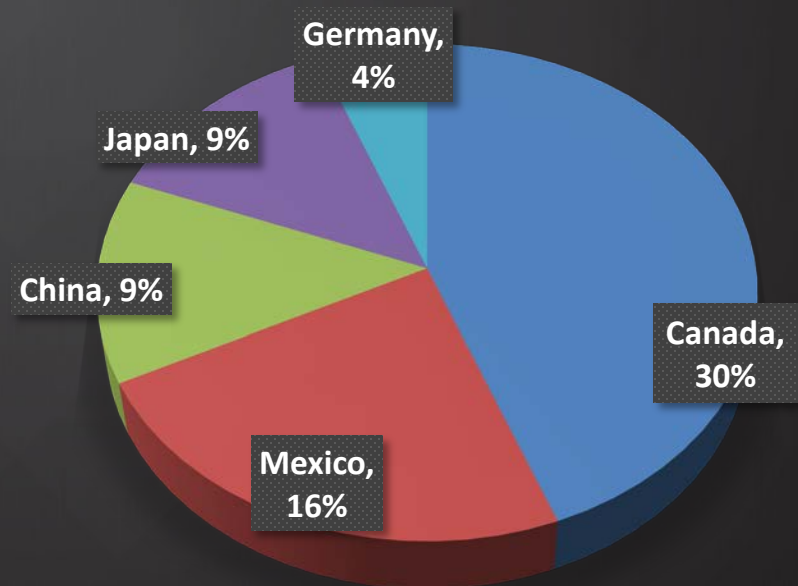


2014 EXPORTS
\$15.1 BILLION

2015 EXPORTS
\$13.2 BILLION

International Trade

- » The International Trade Office (ITO) assists Iowa companies in developing or expanding international markets and assists Iowa companies to market their products and services worldwide.
- » Services offered include:
 - individual consultation
 - educational seminars
 - technical assistance
 - marketing assistance
 - targeted financial assistance



Three types of interactions with international dignitaries

Different levels of preparation and expectation needed depending on the type of visit

- A. Miscellaneous international visitor that shows-up at the Iowa Capitol and the legislator is asked for a meeting – little or no preparation time and the legislator is not responsible for the itinerary
- B. Specific inbound visitor that has requested meeting or itinerary from the legislator – the legislator has responsibility for the itinerary and wants to prepare for a productive meeting
- C. The legislator travels to a foreign country for relationship-building with an international entity – the legislator has time for preparation

Be prepared for your meeting

- » We have an increasing number of international visitors and delegations coming to Iowa
- » Preparation is key to ensuring a positive impact during the visit
- » Even though visitors may or may not be aware of US etiquette, our gestures of international protocols are valued by inbound guests

Know the agenda (ours and theirs)

- » Each year we receive many international visitors from business, government, think tanks, industry associations and more
- » Visitor agendas range from:
 - genuine desire for mutually beneficial relations
 - fact finding trips/study tours
 - low priority stop-overs between other America cities
- » But some visitors may veer towards more nefarious objectives such as:
 - Recruiting Iowa companies
 - Garnering trade secrets
 - Political objectives

Know titles and ranks

- » The USA is relatively informal and not stratified by class, compared to other cultures
- » Many global cultures are much more conscious of social ranking
- » You may not be perceived as a public servant, instead as the ruling class
- » They may expect you to pay tribute to their social rank
- » Prepare a printed list of attendees with title and rank to use as a guide
- » The list is used for introductions, seating, speaking priority, etc
- » Other considerations:
 - Each culture perceives gender differently, and women may be highly respected or alternatively may be treated like a second-class citizen.

Protocols to consider

The world has more than 200 countries, with many containing multiple cultures. Below are a few topics we'll focus on:

- » Delegation expectations
- » Dress code – what attire is appropriate
- » Non-verbal communication – what they read between the lines
- » Introductions – how to get started on the right foot
- » Personal interactions
- » Topics to be discussed and not discussed
- » Business card exchange
- » Gift exchange
- » How to work with an interpreter
- » Follow-up after the meeting
- » Information resources for you

What the delegation may expect

Delegations may request a wide range of meeting purposes and objectives. Some examples of include:

- » Develop business relationships
- » Evaluating increased state involvement in foreign policy and international trade
- » Promote economic development for their country
- » Assess a state's political system and how U.S. states work together
- » Study state-federal relations
- » Promote their country's products and services

Non-verbal communications

Making eye contact

- » Don't be alarmed when a guest from France or Middle East locks eyes with you and gives a prolonged intense stare. This is common, in fact, the guest may move even closer to get better eye contact.
- » The opposite is true with British guests
- » Each country will be slightly different in their non-verbal communication and the amount of personal space that they leave
- » Don't assume it OK to touch someone.

Non-verbal communications

Accepting a drink – alcohol is deeply imbedded in many of the international cultures – be prepared to be offered a drink

- » Do not turn down an offer of vodka from a business associate from Russia – this is considered highly offensive
- » Be careful if your Chinese counterpart offers you a drink of Beijo, this may be a ploy to promote over-indulgence
- » Just because you may socialize with international visitors, don't expect they won't still be tough negotiators
- » Many cultures have toasts as an important part of relationship building
- » But if you don't drink, don't feel forced into it

Non-verbal communications

Body Language – not only do the guest speak a foreign language, the body language and gestures are different too.

- » Showing the soles of your shoes while crossing your legs is very offensive with many other cultures
- » A finger on the nose means “confidentially” to a Brit
- » Nodding the head means “no” instead of “yes” in Greece and Turkey
- » Thumbs up is an offensive gesture in parts of Latin America and Africa

Introductions

- » Depending on the level of the visiting dignitary, a staff person may meet them at the door and escort them into the building
- » For a high-level dignitary, a staff person introduces the dignitary to the highest ranking legislator (eg. Deputy Minister XXX, may I introduce Senator YYY)
- » Usually a brief formal handshake is appropriate for US visits
 - Indians and Pakistanis may offer a limp handshake per their custom
 - A Japanese may bow and shake
- » After introductory conversation, the Iowa host then instructs the delegation leader where s/he and their delegation should sit
- » Some delegations will expect to be offered refreshments to start the meeting

Personal interactions

- » After being seated, the Iowa leader provides a brief welcome and invites the delegation leader to provide opening remarks
- » The Iowa leader will introduce others in the meeting and run the agenda
- » After closing remarks, the Iowa leader can offer photo-ops and/or gift exchange if appropriate (don't force the issue)
- » Topics to avoid:
 - Jokes – they usually don't translate
 - Negative comments about guest country's policies or policy makers
 - Negative comments about state and national policies or policy makers
 - Religion, etc.

Topics to discuss

- » Address everyone by their title and last name until invited to do otherwise
- » It is always appreciated to find common ground during conversations
- » Follow the agenda topics when possible
- » Other things to consider:
 - Asians generally will not want to use the word “no” to avoid direct conflict. “Maybe” or “we’ll see” is their way of avoiding a confrontation
 - Australians may enjoy debating topics
 - Some guest will have the pre-disposed opinion about Americans

Business Card Exchange

The degree of formality of business card etiquette varies from country to country

- » In general present your business card with both hands holding the top corners so recipient can read it
- » Also receive business cards with both hands when possible
 - It is considered respectful to spend time reading their card
 - Asians assume you will have a business card holder, putting a card in your pocket is considered crude
- Many nationalities like to have their language printed on the back to help translate the title (South America, Asia, northern Europe)
- Do not write on their business card – this is defacing the card

Giving Gifts

- » Gifts are just one of the many details to consider – it is not the only consideration
- » Gifts are given to show gratitude, including as a way to thank someone for a hospitable act
- » If you are the host, it is not always appropriate to give a gift
- » Choosing the right gift
 - an item for the home or family
 - handicraft
 - items to avoid depends on the country
 - special tea
 - nice pens
- » Presentation is important
 - wrap the gift, using red or yellow paper
 - avoid blue, white or black wrapping and ribbons

Gift Giving

» Etiquette

- give at end of meeting
- expect polite refusal at first
- present and receive with both hands
- not too expensive

» Other considerations

- With Chinese, the gift must be given in a group setting or it appears to be a bribe
- With Japan, the gift should be wrapped or it may be considered rude
- It's all about the box
- Other cultures place meaning on symbols, colors and number
 - A clock may be considered a death gift in China
 - A green hat is given to a man that has an adulteress wife
 - The number 4 is extremely unlucky and will be taken with offense

Gift Giving

» Other considerations

- Gifts are not the purpose of the meeting
- Ask in advance if gifts are to be exchanged
- Clarify if the gift is from the people of Iowa or the individual of Iowa
- Accept the gift at the time it is presented
- Do not open the gift unless you are invited to
- Present your gift at the end of the meeting or agreed upon time
- Be aware of the culture you are in when wrapping the gift. If the gift is wrapped do not include ribbons, bows or other exterior decorations
- Decide on three levels of gifts and use those throughout the year

Speaking through an interpreter

- » Help prepare the interpreter in advance if you can
- » Speak in first-person and look at your audience, don't look at the interpreter
- » Speak one to two sentences at a time, then pause
- » Use short, straight-forward sentences
- » Avoid acronyms, idioms, slang and jargon
- » Slow down when you are giving statistics and terms
- » Don't assume your guests don't understand English

Information Resources

- » Please think of the International Trade Office of the IEDA as your resource while you prepare to host visitors or travel internationally
- » Other resources
 - IEDA International Trade Office
 - CIA factbook - <https://www.cia.gov/library/publications/the-world-factbook/>
 - Culture gram – <http://online.culturegrams.com/> (Contact IEDA)
 - Diplomatic protocols - <https://www.state.gov/documents/organization/176174.pdf>
 - US State Department, Country information – <https://travel.state.gov/content/passports/en/country.html>
 - Gift giving protocols - <http://www.1worldglobalgifts.com/giftgivingetiquetteandcustoms.htm>
 - Complete Guide to Diplomatic Etiquette – www.usaprotocol.com
 - Trade Statistics – <https://comtrade.un.org/>



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