North European Business Cultures: Britain vs. Denmark and Germany

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Recognizing cultural differences as part of a pattern helps the intercultural manager understand the inner logic of other cultures — and understanding enables him to decide appropriate action for himself rather than rely on lists of dos and don'ts.

An unexpected framework for making sense of differences between the business cultures of the three North European countries of Britain, Germany and Denmark is found in the anthropologist Edward T. Hall's notion of high-context and low-context cultures, normally applied to far more dramatically different cultures. Using extensive interview data, Malene Djursaa demonstrates that differences between the three business cultures in the processes involving trust-building and networking as well as communication and information flows can coherently be understood as differences in 'contexting' patterns — and she goes on to interpret the findings in the light of sociological modernization theories and British social and economic history.

Are British, Danish and German business cultures close North Sea kin? Inexperienced enthusiasts will tell you yes. Seasoned survivors will tell you no: There are deep streams running at cross purposes below the surface manifestations of mere convention and etiquette.

As Heinz-Dieter Meyer noted recently in this journal (1993, p. 93), the surface manifestations of cultural difference can be learned and mastered relatively easily, but leave 'subtle asymmetries of behaviour that influence the seemingly routine aspects of cooperation.' He identifies 'trust-building, communication, and meeting management' as significant asymmetrical themes, and illustrates the difficulties through a case of a German—American business venture.

Based on 55 in-depth interviews with carefully selected Danish and British businessmen, this paper will identify parallel asymmetries between the three North-European countries Britain, Germany and Denmark, concentrating on communication and personal relations/networking (close kin to trust-building). In the process a theoretical concept will be applied which studies in intercultural communication normally reserved for comparisons of widely different cultures: namely Edward Hall's distinction between high-context and low-context cultures (1977). The concept renders visible patterns rather than single instances or even themes of asymmetry, thus enabling us to understand and emphasize with cultural differences which cannot be memorized.

The focus of the interviews is on Britain, comparing primarily with Danish and secondarily with German (i.e. West German) business culture.

The results are surprising in their clarity. Although the respondents were not introduced to the 'context' theory and talk entirely from their common-sense experience, they talk in terms which convincingly fit the parameters of the theory. Most unexpectedly, British business culture is consistently described by the respondents in high-context terms, while — more predictably — German business culture is described in low-context terms, while — more predictably — German business culture is described in low-context terms, the Danish business culture appears as engaged in a delicate balancing act between the two.

It has to be stated clearly at the outset that the high-context portrait I shall draw of British business culture is not its only face. There are respondents who disagree with the conclusions presented here and favour low-context interpretations of UK business culture — but they are few and far between, allowing for no doubt that in this body of material, the high-context evidence is dominant.

Business culture does not exist in a void, separate and independent from national culture (Enz, 1986). All three national cultures are normally considered low-context,
and thus the results on British business culture represent an apparent anomaly. At the end of the paper a historical explanation will be attempted of the strange tenacity in British business life of cultural features normally associated with less developed economies.

The Data

The data consists of 55 interviews with people actively engaged in Anglo-Danish business relations. Twenty-five of the respondents were Danes in exports, 13 were English and 12 were Scots in imports, though for fear of jeopardizing existing trading relationships the Danish and British sides were not each others’ exact trading partners. (The remaining 5 were atypical, ‘expert’ witnesses or third-country nationals operating in Anglo-Danish trade.) Within each block, purposive sampling was used to ensure a spread on the following variables: type of business, size of company, geographical location, company experience with the foreign market, and individual respondents’ experience with the foreign market. Although a majority of the respondents were in top- or middle-management positions, the novice export- or import-worker’s more unpolished perceptions were equally valuable in this design.

The interviews (collected during the years 1985–88) were semi-structured in form, using nothing more than a topic checklist and lasting between 1 and 2 hours. All interviews but one were tape-recorded, transcribed (summary and key quotes, not verbatim), and analysed with the help of Brigham Young University’s ‘Word Cruncher’ program.

The original interview design did not have the precise theoretical focus suggested in this paper, and did not include Germany directly in the questions, but sought to verify a number of expert witnesses’ assumptions about perceptions of general cultural differences between Danish and British business values and practices, and to pursue the degree of ‘fit’ between the two nationalities’ self- and other-perceptions. Nevertheless, the ‘Word Cruncher’ facilities make it possible as an afterthought to isolate statements that illuminate new perspectives, and the material on Germany emerged spontaneously as both Danes, English and Scots drew on their wider experience.

The ‘Context’ Theory

Context, says Edward T. Hall, is ‘the information that surrounds an event’ (1990, p. 6). When he talks of high-context and low-context cultures, then, this concerns the cultural rules around information exchange, and in particular the degree to which information in a culture is explicit, vested in words of precise and unambiguous meaning (low-context), and the degree to which it is implicit, vested in shared experience and assumptions and conveyed through verbal and non-verbal codes (high-context).

In low-context communication, the listener knows very little and must be told practically everything. In high-context communication the listener is already ‘contexted’ and so does not need to be given much background information. (Hall, 1990, p. 184).

Although high-context and low-context communication takes place in every country and culture, witness the private conversation of an old married couple vs. the instructions in a technical manual — cultures differ in the degree of contextualizing considered normal and necessary in every kind of discourse, including business communication. High-context cultures are ‘cultures in which people are deeply involved with each other . . . [where] simple messages with deep meaning flow freely’, while low-context cultures are ‘those highly individualized, somewhat alienated, fragmented cultures . . . in which there is relatively little involvement with people.’ (Hall, 1977, p. 39).

It is not, of course, an either or, high or low, situation and placing cultures in relation to each other on the gliding context scale can never be an exact science. Hall himself comes no closer than this:

... Japanese, Arabs, and Mediterranean peoples who have extensive information networks among family, friends, colleagues, and clients and who are involved in close personal relationships, are high-context . . . Low-context people include Americans, Germans, Swiss, Scandinavians, and other northern Europeans; they compartmentalize their personal relationships, their work, and many aspects of day-to-day life . . . The French are much higher on the context scale than either the Germans or the Americans. (Hall, 1990, p. 6).

Pertinent to this paper, then, Hall places Britain, Denmark and Germany in the same general low-context category. At the general level of national culture that may well be true. After all (using his own definition), few people would claim that the British are ‘deeply involved with each other’, at least not in your average middle class neighbourhood. As stated by Cathy Enz (1986), it is also true that in culturally homogeneous countries, organizational cultures will reflect societal culture well, whereas in heterogeneous countries, organizational cultures differ more and become more important.

We shall see later that Scottish and English business cultures are not identical — and it should be noted that ‘Germany’ in this paper always means ‘West Germany’ — but at a general level, Britain, Germany and Denmark may be considered culturally homogeneous countries, and the companies selected belong to the cultural mainstream. The logical assumption, then, is that all three dominant business cultures should also be found to be low-context. This holds for the Danish and German business cultures. As the following pages aim to demonstrate, however, it does not hold for British business culture, neither in its Scottish nor its English variant. The evidence will consist in matching statements from Hall’s various writings on high- and low-context cultures against the interview data. Danish
quotes have of course been translated, and emphases have been added.

**Theme 1: Personal Relations**

As stated by Hall (1989, p. 68 and 102), the centre of a high-context business culture is its personal relationships, while the centre of a low-context one is its contracts and small print. On this, in general terms, there are a number of statements to the effect that personal relationships matter more in Britain. The codes DR, ER, SR and FR identify Danish, English, Scottish and foreign respondents, followed by their individual identifier. First the Danes:

*If we're on the same wavelength, that's more important than a bit of a difference in price . . . Personal relations count for considerably more than in Germany.* (DR 07)

*I'm there about 4 times a year — it becomes quite a close relationship, almost like one's family.* (DR 09)

*They are better than we are at combining sociability with business.* (DR 13)

On the British side, we hear that

*English people would rather deal with someone they liked if they possibly can . . . We get better service by having a relationship with our suppliers.* (ER 50)

It is worth noting that it is the Danes who feel there is a difference between the countries on this point. The British are, on the whole, quite happy with the Danes' ability to conform to the more personalized British pattern — and the Danes say they enjoy the experience. A few respondents on both sides say they want no part of it, and one German born manager who works in Denmark and sells to England says that he plays the 'personal' part quite consciously — for instance that he invites people to his home for the calculated effect. He goes on:

*The human side means a lot. If he doesn't like me, there won't be a deal — for the Englishman the people are vital, whether you get along.* (FM 92)

**Spending Time Together**

A feature of this high-context, personal style of doing business is, according to Hall, that you *spend time with clients*, become friends and in the process produce reciprocal feelings of *obligation* (1990, p. 16) and greater distinctions between *insiders and outsiders* (1977, p. 113), between 'us and them' (1989, p. 104) than is found in low-context business cultures. 'Relaxing with business clients during lunch and after work is crucial to building the close rapport that is absolutely necessary if one is to do business [in a high-context business culture]', whereas this is not as common or necessary in low-context business (1990, pp. 20–21).

Again, most Danish and British respondents talk about Britain in high-context terms. Most Danes have noted the long business lunches and frequent dinners in restaurants in Britain, and although the Danes generally seem to be good hosts, there are different conventions in entertaining which may cause some tension. This English agent who visited the stand of his new Danish contacts at an exhibition is eloquent in his distress:

*I would have expected them to have spent time with me . . . it was late morning, and I was surprised that neither of them decided that we'd have lunch together — even sandwich lunch. But I had plenty to do at the exhibition. If I had been sales manager or director, I would have made sure that the visiting agent was given lunch, etc. I was surprised that they didn't, but there was only the two of them on the stand, and they may not have had time — I was surprised. There was a room at the back, we could easily have fetched some sandwiches from the bar and chatted over lunch.* (ER 53)

This quote is a vivid illustration of the power of cultural differences to give offence where presumably none is intended. The Englishman feels hurt by the lack of sociability, but is trying hard through his hurt to find reasons why his expectations were not met.

**Insiders and Outsiders**

The respondents make several interesting observations which illuminate the theme of mutual obligation, or insiders vs. outsiders. One Dane finds that the importance of personal relations in Britain is a two-edged sword:

*Personal contact is important — but it can also be an obstacle — there's nothing doing if they already have a good relationship with a competitor.* (DR 16)

And a Scottish respondent makes it clear that the obligation towards existing business partners even overrides a recognized rational business interest — up to a point:

*The UK works more through personal networks. If two people came with the same article, one slightly better than the other, we would buy it from a friend — even if it was slightly inferior. Maybe it's not the right thing to do, but it's the way business is done in the UK. Personal networks are the reason we can do business.* (SR 73)

This is perhaps the plainest possible expression of the centrality of personal relations in the British business world, and easy to see as a version of what Hall calls high-context mutual dependence, as opposed to the independence and individualism which are the rule in low-context societies (1990, pp. 28–29).

**Go-betweens**

In a business world of networks and mutual dependence, outsiders need go-betweens to penetrate
the net. This, too, tallies with Danish experiences of the British market:

I’ve noticed that very often there is a kind of ‘go-between’ who facilitates the contacts ... they are a kind of buffer between the suppliers and the big customers. (DR 23)

The respondent goes on to give a long account of how it worked in his case, and how irritation with the go-between system provoked him to try to cut through and talk directly to his customers. He was, as he says, told to climb back in his basket, and now he has learned to live with the go-betweens.

This networking obligation can be turned to advantage, says Hall. In Understanding Cultural Differences he gives the advice that if you cannot get a high-context person to respond by letter or telephone, there is a remedy:

Letters and telephone calls aren’t personal enough. If you send a properly placed emissary ... you add the necessary personal touch ... (p. 30)

One Danish respondent acknowledges the skills of his English agent in this respect:

... he [the agent] ... has taught himself to get into the big firms’ administrative organisation and get hold of the person ... who decides who is getting paid ... and he contacts them, talks to them, gets to know them personally ... if you have been sitting face to face with a man and he has promised to pay on Monday, and he knows that you’ll come again ... (DR 09)

Faithfulness

The sense of obligation exploited here may also find more positive expression as a faithfulness which is more than self-serving network maintenance. In an analysis of French (high-context) business culture, Hall notes that ‘even today, in spite of a speeded-up world, once one has established a client or customer relationship ... one can count on keeping the relationship for generations’ (1977, p. 109).

The reason, according to Hall, is that high-context cultures are characterized by slow, deep relationships, often friendships for life, whereas low-context cultures are accustomed to short-term, fast and superficial relationships (1990, pp. 4—6 and 15). Transferring this pattern to the business world, a long-term ‘investment’ to establish personal relationships with customers is necessary, although testing on the patience of a low-context person. It can be two years before you start dealing, says Hall (1989, p. 66).

Penetration Time

That this can create problems between low-context parent companies and high-context markets is obvious. Low-context cultures are used to fast selling, says Hall, and consequently are not prepared for the lengthy penetration time in high-context markets (1989, p. 66 and 1990, p. 16). His observation is matched by one Danish export salesman’s description of his difficulties with an impatient management:

I am convinced that I have not misjudged the situation — but the figures on the bottom line have not turned up ... the management expect turnover here and now.

He goes on to say that he expects to have to spend money for up to three years before things are moving:

I am much more patient than the management — because I can feel that my personal experience with their [the British] culture is growing in me. (DR 19)

A more general observation on penetration time is made by the same German-born manager we met before:

Many go to England and are disappointed because things don’t happen straight away. Because I think there is a personal relationship with those people they want to know what you stand for, who you are — and that takes a bit longer. You won’t make it over two or three visits, and then the order comes in. It takes a bit of time. (FR 92)

And then just a timely reminder that we are, after all, in northern Europe, and that the high-context/low-context comparisons here described are relative sizes on a sliding scale:

Networking, as a cultural predeterminate, can be turned to advantage.

If you have tried to work in southern Europe, things move very fast in England, by comparison. (DR 10)

When asked directly, the British respondents did not in fact think that they took a long time to decide or come through with an order. They had nothing but praise for the Danish salesmen — and their praise was particularly directed at the fact that the Danes were not pushy and did not hard-sell. It seems, then, that the Danes are managing to hide their frustrations and play the game. And it pays to do so, they say. Once they are accepted, they reap the benefits of the insider-outsider distinction:

It’s important to get into UK firms — then you’re OK for a long time. (DR 08)

Once you have got such a personal relationship with the customers, they don’t just up and change without telling you that they can buy it cheaper somewhere else. (DR 17)

The British buyers agree that this is the way it works:

We have benefited from very good supplier/buyer relationships — we’re very loath to throw overboard existing supply lines — we don’t delist products overnight. We do give second and third chances. (SR 77)
People will say that the British are reserved, and yes, we are, but we are very quick to latch on to somebody if we like them. That can happen within half an hour, if it works we are very faithful. (ER 50)

Finally a Scottish quote which places the Danes between the British and the Germans in this respect:

Danes are not very volatile — they don’t shop around as much as for instance the Germans. (SR 79)

The German Yardstick
It’s not the first time the Germans have been used by both the Danish and the British respondents as a kind of yard-stick to measure themselves against — and on this yard-stick, the Germans come out as prototype low-context people, with both the Danes and the British above the Germans on the low- to high-context scale, but the British clearly above the Danes. Here is another example, in illustration of the claim by Hall that in high-context cultures it’s people who are problem-solvers, while in low-context cultures it’s procedures (1989, pp. 76-77):

In the UK you’ve always got to remember that it’s the individual — the individual salesman you’re dealing with. In Germany the plans are laid from above. In the UK the plans are much looser — there’s more room for the salesman himself to assess any given situation. (DR 20)

This respondent was one of the most eloquent and thoughtful in the survey, and a quote from him, which sums up the totality of considerations on personal relationships in business, will end this section. First, however, it is necessary to introduce yet another context-feature, namely that the personal involvement and strong bonds between people in high-context cultures breed a level of tolerance of rule-bending, whereas low-context cultures are more rule-bound (Hall, 1977, p. 127).

Personal Relations Theme: Summary of Findings
It’s probably more useful to know a person — some people [in Britain] . . . while in Germany it’s more important that you follow the rules and write exactly the way it says . . . You see some terribly dynamic people in Germany and Switzerland, but I really don’t know if they are that much more efficient than the English. The Englishman manages a lot of things on the basis of his knowing other people — and using his personal contacts. Much more than the German.

Q: How do you find the right contact?
That’s something you’ve got in you, and something you use in all markets. There’s no difference when you start — the difference comes later. For instance in the way the dealers and agents work — they know each other personally, work in a very personal way — that’s decisive. And that means that if you are to sell in the English market it’s just as much the person who has to be approved as the product. And if a customer trusts an export salesman he will definitely also turn a blind eye to delays in deliveries, or other deviations — because then he is interested in solving the problem. In Germany you have to follow the rules, and there the person doesn’t matter nearly as much. (DR 20)

Please remember that neither this nor any other respondent is familiar with Hall and his high- and low-context culture theory. But his description of British business culture is a perfect match with Hall’s ideas of a high-context culture, as far as these have so far been presented.

Theme 2: Communication
We turn now to the other important theme in this exploration: that of the structuring of information and communication.

Getting to the Point
According to Hall, a high-context person is rather slow getting to the point, and does not expect to have to be very specific even when he does — here illustrated with a Japanese example:

The Japanese are part of a high-context tradition and do not get to the point quickly. They talk around the point. The Japanese think intelligent human beings should be able to discover the point of a discourse from the context, which they are careful to provide. (Hall, 1989, p. 63).

This preference for roundabout messages is even more marked if it is something unpleasant that has to be conveyed:

A high-context individual will expect his interlocutor to know what’s bothering him, so that he doesn’t have to be specific. (Hall, 1977, p. 113)

In contrast, the low-context individual is fast getting to the point, tends to over-inform — which by a high-context person is experienced as ‘talking down’ to him — and is much more direct in delivering his message (Hall, 1989, p. 114).

This was one of the Danish respondents’ favourite topics about the British — both the slowness, and the roundabout way of approaching a deal. In the following quotes the subject is the small-talk which they find is expected around business in Britain:

They are more indirect than the Danes. We present things straight — the English take the scenic route — have more time — feel that it is unnecessary, not gentlemanly, to get straight into business . . . I get a bit impatient — but I don’t let on, and try to relax. (DR 01)

In Denmark we are more inclined to get straight to the point and forget all that rubbish. (DR 10)

I don’t try to press on — you can’t, can you — then you don’t get anywhere. (DR 15)
German mentality is different, they talk business straight away. Here [in Denmark] it’s a kind of mixture. (DR 16)

A number of both English and Scottish respondents agree about wanting their small-talk. This one is Scottish:

I don’t believe in getting straight to the point immediately . . . I think it’s better to sound out the person you are speaking to by talking round about the subject. (SK 71)

On whether the Danes are any different, the British respondents were divided, however. Given that the Danes themselves were not in doubt, it seems that, once more, they adapt quite well.

Exhibitions: Low-Context Mode

One interesting variation on this theme is that apparently the British, too, go into low-context mode on exhibition stands:

In exhibitions it’s a completely different style — there is no introduction. They are strangers, and they get straight to the point. But as soon as we go and visit them — even if it’s after they’ve visited our stand at an exhibition — then it starts in the traditional English way with a little talk about something else. (DR 19)

What is the Point?

The small-talk side dealt with above is about detours before you get to the subject. But there are also differences in how directly you express yourself once you get down to business. On this point, too, most Danes were convinced that there was a difference — that unlike both Danes and Germans, the English wrap things up, no matter if the context is making excuses, turning somebody down, or handing out instructions. There are a number of examples of this in the interview data, but the most easily demonstrable is the special case where the English say no and the Danes simply don’t get the message. They hear a maybe, or even a yes. When you hear this English respondent, you may understand their confusion:

If there is no chance of business, we tend to say, look, there is a very remote chance of business. If we find there is a chance of business, we say we have to have a closer dialogue. (ER 94)

To the literal-minded, this sort of thing causes certain problems. It takes one native to understand another:

You get buying signals, feelers. I can tell, talking to an English business man, fairly early on, the lie of the land. Even though he says yes I know he means no . . . (ER 57)

Add to that that the Danes are a very optimistic lot, as one respondent reminded me. A number of my Danish respondents reported examples from their personal experience when they had believed in an order from England and felt rather unethically treated when it turned out there would be no deal. One Dane said he tackled it like this:

If you don’t want to do business, just say so — I’ve got lots of other things to do. (DR 08)

It works, he says — but perhaps it is useful to know that he sells industrial shovels for the coal-mining industry, predominantly in northern England. Another Dane, who is trading with the graphics industry in the south of England, found that he had to modify his approach:

At one point I discovered that I didn’t get very far with it (being so direct). (DR 09)

In this section, I have referred to England rather than Britain — the reason is that the Scots appear to be more like the Danes on this point, i.e. more straight speakers than the English. That was the general consensus among the Scottish respondents, and one even said that he had problems with the English himself when he was selling: That he did not know if they mean no even if they say yes (SR 71).

Low-Context Literal-Mindedness: What is a Tie?

A young Danish furniture salesman, inexperienced except for a spell in the United States with some business partners, had as the next step in his training been stationed with the manufacturer’s London agent. While I was waiting for my interview with the managing director I chatted to him in the show-room, where he was very casually dressed in a check shirt, without a tie. I remarked that it was unusual in England, and he answered that people would have to take him as he was. It turned out that the English agent was not taking him, however. The young man was ‘too aggressive’, as he said during the interview, and they were parting company soon. The final straw had been an incident when the young Dane had been invited to the Reform Club, one of the august conservative London clubs, and had been asked by his English hosts to wear a tie. So he did; a demonstratively badly tied tie on top of his check shirt, as he would in Denmark to get into jazz-clubs with similar formal requirements. A low-context country is caught by its own rules, and any tie will do. In the Reform Club they had been refused admission.

Communication Theme: Summary of Findings

Communication in German and Danish business culture is more direct than in English business culture. The
Danes and the Germans tend to get to the point fast, and express themselves more directly when they do. In the theoretical framework of context, this means that German and Danish business culture is lower on the context scale than England.

England differs from Scotland — here they pride themselves on being straight speakers — but the Scots, too, practise a personalized, small-talking kind of business.

Overall Findings

The previous pages have drawn a picture in which both directions with what would appear to be consonant, because the logical historical setting for the high-low-context theory is the process of industrialization and urbanization in business culture between their countries (involving Germany for comparison) in terms which suggest that we are dealing with a high-context vs. two low-context countries, with Denmark placed above Germany on a sliding scale and the Danish businessmen adapting in both directions with what would appear to be considerable intercultural skills.

We should note, however, that these are relative placings on the context scale of three northern European countries — and indeed there have been reminders of the way that 'real' high-context cultures exhibit the highlighted key features in much more extreme form than Britain. Even with this modification, however, the empirical findings are surprising enough, and the remainder of this article will be devoted to an attempt to make sense of them.

Discussion

Modernization Typologies

The findings outlined above are surprising not least because the logical historical setting for the high-low-context theory is the process of industrialization and urbanization — the process which we, rather presumptuously, call modernization. Sociology was born as an academic discipline in the urge to understand the nature of the transformation from the old order to the new. Ferdinand Tönnies' dichotomy of Gemeinschaft vs. Gesellschaft, Max Weber's traditional vs. rational society, Emile Durkheim's mechanical vs. organic solidarity and his exposition of the modernization illness anomie — are all attempts to capture what happens to culture and social relations in the process of modernization, and close kin to Hall's high-context 'deep involvement of people' cultures vs. his low-context 'individualized, . . . alienated, fragmented' cultures. Indeed Hall dearly makes the link to the modernization process himself in his analysis of France, which he says is changing towards low-context in line with its economic development.

As everybody knows, Britain led the way in this process of industrialization and urbanization. Germany and Denmark followed later, and even Denmark has 'arrived' more completely than her agricultural image suggests. Following these modernization typologies, we would expect not only Germany and Denmark, but also, and especially, Britain, to exhibit all the social and cultural characteristics of an economically and technologically advanced economy, including predominantly low-context communication patterns.

Entrepreneurial vs. Landed Values

Our expectations are mostly, but not entirely fulfilled. Most sociology and urban anthropology on Britain would find Weber's rational orientation, Durkheim's organic solidarity and Tönnies' Gesellschaft predominant. And yet there are parts of British culture which have remained resistant to the economic changes transforming living conditions; resistant culture which is particularly pertinent to the business community. In recent years, the historian who has expounded this thesis and its consequences for Britain's economic development is Martin Wiener with his book English Culture and the Decline of the Industrial Spirit; but his is a very interesting elaboration on a theme which has been recognized in British social and economic history for much longer (e.g. Perkin, 1969 and especially Barnett, 1972).

The thesis is that we have to search in the 19th century for the roots of the present mismatch between culture and economy. After the initial entrepreneurial dynamism of the first half of the 19th century, anti-industrial landed culture reasserted itself and infused both industrialists and professionals with the traditional values of the increasingly powerless aristocracy (Wiener 1981). Although the aristocracy needed the alliances with the new money, being in trade was always slightly low-status in the 'best' company in 19th century Britain — and manufacturing was in the same status-category as trade. The old elite was based on land, and as the saying goes, it took three generations to make a gentleman. The first generation made the money through low-status industrial enterprise, the second generation went to the right schools, married well and bought land, and the third generation sold the company and smoothed out all traces of the ignoble origins of the money. As with all simplifications it is only part of the story, but in British 19th century social history such family sagas are par for the course (Thompson, 1963).

The aristocracy ceded much of their power, but their anti-industrial values, their ethos of the good life as belonging to the country became the basis for the country's Establishment and defused the industrial spirit which had made Britain the workshop of the world in the first half of the 19th century.

Cultural Resilience

The relevance to present-day business culture is this: values dictate behaviour, and behaviour reinforces values — even where those values are in contradiction to the central activity, in casu business. Anti-industrial landed values overlaid British business life with a pretence that 'we're not really in this for the money'.

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British businessmen were and, I am arguing, still are in many cases, at pains to appear to be gentlemen meeting around a kind of hobby, and then going away to their place in the country and leading their gentlemen lives. Incidentally it is precisely the civilized veneer of this pretence that makes it a very enjoyable experience for many Danes to do business in Britain.

The claim is, then, that because industry and business were not socially acceptable after the initial energy had spent itself, their inner logic was never fully embraced — that parts of a cultural pattern belonging to an earlier economic stage became the norm for business in the UK, and has shown great resilience, reinforced by its own habits as well as Establishment Values.

What would have made this 'fossilization' of old business mores easier in the beginning was the fact that being the first, there were no other role-models for the British to adopt. The imitators in the industrialization process, Germany among them, went at the task more determinedly and arguably with greater social acceptance, including state involvement in creating the financial infrastructure (Hobsbawm, 1968).

Wiener (1981) believes the anti-industrial value orientation to have survived as a significant element in British culture to this day, and identifies Mrs Thatcher’s main challenge at the beginning of the 1980s as recreating the entrepreneurial legitimacy of the early 19th century rather than balancing the budget.

The US Counter-Trend

Thatcherism presumably has its share of credit for a clearly discernible counter-trend of low-context business culture — an import from the second half of this century. Although the low-context evidence in the interview material presented here was weak, it is significant that among the opinion-formers in British business, the high-context model (not recognized as such) is increasingly seen as old-fashioned, and that they take their role-models not from the British tradition but from elsewhere, notably from the US where business is unashamedly profit-oriented and hard-nosed ambition not only legitimate but admired. The US, we should remember, is Weber’s prototype ‘rational’ society, driven by Durkheim’s ‘organic solidarity’ (organic as in Social Darwinism); it is a low-context contract society where the legal profession flourishes interpreting small print as much as the psychologists flourish dealing with the effects of anomie, and where networks are not personal relationships but address-lists compiled by conference organizers.

To some extent this change in orientation appears to be a question of generation, with the younger generation going for the low-context model. To some extent it will also depend on the type of industry: the more innovative and the less tradition-bound, the less likely we may assume that the industry is to retain the old high-context pattern.

This does not necessarily mean that the high-context business culture’s days are entirely numbered, however, because even the young lions in British business life retain some high-context features.

Sloane Rangers

A few years ago everybody knew the Sloane Rangers. It was a new name for the people we were supposed to envy in the UK; those in the inner circle, preferably with both name and money, but if both were unavailable, then a name would do. As in the 19th century, money still does not guarantee breeding.

The Sloane world, as described with high irony and reputedly great accuracy by a couple of members of the clan in The Official Sloane Ranger Handbook, starts in Sloane Square, Kensington, and from there the Sloanes range, first to their place in the country — somebody in the family always has a fairly large place in the country — and further on well-trodden paths around Europe and the world. It is a book about the (Hooray) Henry’s and Carolines and the roles their world functions by, and became a phenomenal best-seller as a code-book to an envied existence; the (low-context) key to an extremely high-context culture created to keep outsiders out, and to recognize who is an insider. Of course it is also a very funny book, but surely its phenomenal sales can only be ascribed to its code-book function for the admiring masses.

The Fast Lane to the Country

The fascination with the Sloane Rangers was shared by the young lions of a prominent business school where I was a visiting fellow in the late eighties. Many of them were definitely people who were travelling in the fast lane, as they would say. I don’t know how many of them had copies of the book — but I know they had internationalized its ideas. They talked approvingly of people they knew as ‘Sloane Rangers’; they held garden parties where people had to turn up in Victorian dress and drink Pimms No. 1 or champagne; they preferred lodgings in stately homes or what used to be stately homes; their graduation party was the full works in venerable surroundings; and the old boys’ network was carefully prepared, representing emotional attachments as well as mutual advantage. These boys and girls may live life in the fast lane, but it still takes them out in the country for a large part of their dreams of the good life. Their role models, then called Sloane Ranges and now perhaps something else, descend in direct line from the 19th century landed gentry.

Conclusion

Perhaps, as low-context competition intensifies, also conveyed by US-style business schools and management literature, many of the high-context traits of British business culture described in this paper will be reduced to sheer surface. That might be good for the British
economy, but not necessarily for the people involved in the process. For now, anyway, we are able to conclude that there still is some substance behind the personalized British business culture, and that the 'context' theory throws light on what are subtle but still real differences between the business cultures of Britain and her close North European neighbours.

Note
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