How cultural differences can influence firms working globally

What are the dos and dont's of international dealmaking?

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I studied anthropology at university in England. Many people are surprised that I then transitioned into mergers & acquisitions, based out of Spain. However, I have always maintained that balance sheets and profit and loss statements are international, easily reconciled into a local or a common "language".

The culture of the stakeholder in a transaction cannot so easily be translated. This is not to say that every international transaction is overly complicated, but our experience has been that, especially with family-run businesses, being culturally aware is critical. As in much of negotiation, preparation is a key element of achieving success.

In an international context, this means understanding the underlying cultural drivers of the individuals and their wider communities, identifying key stakeholders that may be very different from those you are used to in your own country and framing presentations and negotiations in the correct format, reaching out to the distinct groups that will influence the outcome of the deal at the appropriate time, which is often earlier than anticipated.

At the same time, one should not lose sight of one's own critical needs. Cultural flexibility can only go so far. Clarify "must-haves" early, but frame them in terms the other party can identify with. Be prepared to adapt to local timeframes, and to "give" in important cultural aspects that have little impact on your own goals. Then a long-term successful deal can be achieved.

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