

Who's the boss? The importance of hierarchy

As different cultures often adhere to different business structures, understanding where the power lies reduces potential for inadvertently causing offence and slowing down business.

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BELGIUM

A transition model

Until recently, traditional Belgian companies were characterized by a French style of vertical hierarchy in which all decision making was done by a strong leader. Today, the Flemish influence of simple horizontal management has created a period of transition. Businesses are moving away from the traditional hierarchical model to a **flatter** structure. In this matrix approach, information flow and delegation are emphasized.

✓ **Do:** be patient. Decisions go through a process of compromise and debate before being accepted.

✗ **Don't:** make assumptions about a business structure in advance. You should do all the necessary research before entering into negotiations.

TAIWAN

A family model

Taiwan's business structure is **comprised** mostly of medium-sized family-run businesses in which the oldest male family member makes all the key decisions. It is a flexible approach to hierarchy where more emphasis is placed on getting the job done rather than protocol and procedure. In the smaller operations, the decision maker is able to have direct contact with employees on all levels of the operation.

✓ **Do:** send an older representative of your company to establish a relationship.

✗ **Don't:** hold meetings exclusively in English.

BRAZIL

A complicated model

Brazilian businesses tend to be organized in strict hierarchical structures. Information flows by various **chains of command**. Within individual companies there is an added complication of **the power of personal relationships**. Organizations are filled with internal politics where an alliance can be more important than the structural organization of the company.

✓ **Do:** seek local advice. There are many cultural and administrative complexities.

✗ **Don't:** waste time by assuming you are speaking to the senior decision maker. First of all, you must develop a good understanding of the corporate structure.

NIGERIA

A three-tiered model

Nigerian business culture is a mix between local and multinational corporations. Most companies have a **three-tiered**

hierarchical structure. The **top layer** is made-up of older men who make decisions. The middle-level managers will likely give an impression of holding a lot of power, but they rarely do. Nonetheless, employees lower down the **corporate ladder** should not be ignored since they tend to influence the decision maker.

✓ **Do:** build a relationship at all levels. Nigeria is a relationship-oriented culture.

✗ **Don't:** try and **get decisions out** of middle level managers. Managers are expected to manage, not make decisions.

UNITED ARAB EMIRATES

A who-you-know model

Many locally owned businesses are family run, and as such, key positions are filled by family members. Companies are normally hierarchical with senior, male family members in the highest positions of power. It is important to build personal relationships to have influence at this level. Nepotism is a normal practice.

✓ **Do:** find out if the company you are dealing with is Sharia

law compliant. If it is, a Sharia law council will ensure they do not transgress the Koran.

✗ **Don't:** neglect the power of personal connections, even if they don't appear clearly initially. Through these personal connections, less senior members of staff may have more **sway** than you think.

USA

A pyramid model

Corporate culture in the US is extremely varied but tends to have a common pyramid structure. At the top of the pyramid is a CEO, who decides the day-to-day operations and has the largest sway in the company. There is also a board of directors, although they have little input, leaving the CEO with the sole responsibility of the future success of the company. Accountability tends to be vertical and easily observed. Everyone knows their roles, responsibilities, and to whom they report.

✓ **Do:** sell yourself. Respect is earned through skill and achievement, not age.

✗ **Don't:** be out-of-date. New is good, and change is a major part of corporate life.●

GLOSSARY

Flatter: plus plat, **comprised:** composé, **chain of command:** voie hiérarchique, **the power of personal relationships:** l'importance des relations personnelles, **tiered:** à plusieurs niveaux, **top layer:** le niveau supérieur, **corporate ladder:** échelle hiérarchique, **get a decision out:** obtenir une réponse, **sway:** influence.