# **Russia And Belarus : New Business Culture**

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## Preface

Many books and articles have been written about business cultures as a subject of scientific research. The Western world is trying to understand, study, and accommodate Eastern cultures, especially after the liberalization of the Chinese market; as well as Islamic culture and traditions, after the discovery of the richest oilfields on the Arabian peninsula. The Eastern world (Japan, Hong-Kong, Singapore, Korea) would like to understand and accommodate the Western world with its values and wider markets. Russia and Belarus have been attracting the attention of business circles since the time of Perestroika at the end of the 1980's.

Unfortunately, the beginning of the new century is darkened by the attacks on the World Trade Center in New York and the Pentagon in Washington, D.C., and Flight 93 in Pennsylvania. A new spark of interest toward the Islamic world and cultures is caused by all of the mental phenomena of Islamic subcultures. Growing numbers of extremists are all ready to give their own lives to destroy thousands of lives of innocent people.

A culture, especially the part which is connected to art, became a subject of my interest and hobby at the beginning of the 1980's. During those years I worked in Minsk in one of the research institutions that specialized in the field of corporate management. All of my spare time, however, was devoted to reading books on art.

On the 175th anniversary of the birthday of the French impressionist Edouard Manet (1832-1883), the USSR released a beautiful stamp of Manet's self-portrait. I decided to write my first cultural article about Manet for a Soviet philatelist magazine. I spent a number of evenings in the scientific library studying Manet's biography and pictures of his art issued in the USSR. I was delighted when the article was published soon after that.

Many years passed, but I could still remember the feeling that I experienced when describing one of Manet's works, The Bar at the Folies Bergere. In 1999, I went to England to the Charted Institute of Marketing. In my hotel room, I found an advertising booklet on sightseeing in London and discovered, much to my delight, that The Bar at the Folies Bergere was nearby in the Courtauld Institute in London. The painting is still displayed at that location. The next day I traveled to London by train, found the gallery, ran to the fourth floor, and there I saw the actual painting live. I had been anticipating that moment for sixteen years! It was a date with my youth.

Years have passed since I wrote the original article and then was able to see the actual painting. I wrote my dissertation on management, wrote two books, dozens of scientific articles, lectured in Minsk at the Belarusian Economic University, and later at the Institute for Privatization and Management. I never thought I would be able to write about culture or art again because culture as a topic of scientific work demands, in my opinion, a language quite different from the strict academic language I use in my professional life. When I started to write this book, I felt much the same way I did when

working on that article in the philatelist magazine. That is why the style of this book is special: scientific and casual at the same time.

This book is about a new and booming business culture in Russia and Belarus. People in these countries were separated from the rest of the world by an "iron curtain" for eighty years. Perestroika broke the "iron curtain", allowing conditions for free exchange of people and ideas. The concept of the "iron curtain" remains important as it continues to influence the behavior and ideology of many.

At the same time, cultural tendencies which accumulated over several centuries of Russian merchantry continue to influence the behavior of Russian and Belarusian businessmen as well. Many researchers have noted the strength of tradition in Russian culture. Russian professor Andreeva notes that the "code of behavior" for athelings which emphasized a "low value of an individual" greatly influenced the ideology of Russian merchantry. (I. Andreeva, 1999)

This very thought about the low value of an individual encouraged me to research the concept of the value of an individual in different cultures. I believe that the value of an individual in different cultures of various peoples could explain the reasoning behind the tragic events of September 11, 2001 in New York, Washington, D.C., and Pennsylvania.

I used to ask myself whether it is possible for the West to understand the new business atmosphere and attitude of Russia and Belarus using existing knowledge. I believe that to some extent it is. Two chapters of this book cover the research of the Russian lifestyle, which was conducted by Geert Hofstede and Richard Lewis.

However, there is something special about the culture of Belarus and Russia, which other countries might not understand. In his book How to Do Business in Europe (which was written specifically for Russian readers) V. Hoyer states that Russia is known to the world for its richest contributions of literature, painting, and music. Nevertheless, a character sketch of a Russian individual and Slavs in general, was a caricature based on long-felt beliefs. Slavs were shown as lazy and stupid, preferring to spend their winter laying on a bear rug in front of the fireplace with a pot over fire.

As for Belarusians as a nation, they are not known to the people in West Europe and the United States. Hoyer, who is a European, confesses that even educated people in the West confuse Belarusians (which are often referred to as White Russians) with the so-called Whites who fought against the newly established communist regime during the Civil War of 1918-1920. (V. Hoyer, 1990).

This book is an overview of business cultures in Belarus and Russia, as seen by an insider.

Why Belarus and Russia? Are the cultures of Belarus and Russia similar in many ways? Is it possible to combine these cultures in one research? I believe it is. Belarusian and Russian people have been coexisting for more than 300 years. Belarus was a part of the

Russian Empire for several centuries prior to becoming a part of the Soviet Union. The majority of Belarusian people speak the Russian language. School children study Russian literature and history. Belarusians know more of Russian history than of their own Belarusian history. Tens of thousands of Belarusians have relatives in Russia, and many Belarusian people consider themselves ethnic Russians.

It is common knowledge that beginning in 1991, Russia and Belarus became independent states. However, both countries have open borders. More than 70 percent of Belarusian exports go to Russia, while Russian goods enter Belarus. Russian goods can be bought in Belarus and Belarusian goods are available in Russia. In my mind, Belarusian businessmen are half Russian because the majority of them work in the Russian market.

There are indeed differences in the business cultures of Belarus and Russia, and I discuss those in my book. Business in Moscow and Petersburg differs from one in Belarus, but it also differs from Russian business as a whole.

This book is about the attitudes of the people who are engaged in business in Belarus and Russia. What determines their behavior? How do they see ways to move toward success? What factors determine their success, and what can their partners, including those from other countries, can expect of them? These are some of the questions I discuss in my book.

I am truly grateful to my colleagues from Central Connecticut State University-Patricia Sanders, George Eisen, Anita Jackson, George Claffey, Margaret Mitchell and Mary Roxas for their support and kind attitude. It was my work with them that encouraged me to write this book.

I am also grateful to my colleagues from the Institute for Privatization and Management for their support and ideas while I was working on this book. They helped me look at the problems from a different angle and see some new and interesting aspects. I am also thankful to all of the businessmen who enthusiastically discussed the problems involved in business in Belarus and Russia during my seminars at the Institute for Privatization and Management.

## Story for grown-ups ''GOLDIE''

Once upon a time there lived a family in a little village in a faraway land. There was a father, a mother and their little daughter that they loved with all their hearts. Because of her golden hair and the face of an angel, they lovingly called her Goldie.

"I'm so happy to have you, my goldie," her mother would say while she watched her daughter play with a doll on her parents' big bed.

They had a dog named Artamon, who lived in a wooden kennel in the courtyard. Artamon love the little girl, too, and when he saw her, he would wag his tail and whine gently for joy. In the house there lived a cat they called Fluff. He had no fear of Artamon, and spent his lazy days sleeping at the little girl's feet. He would coax a saucer of milk from the mother, too.

On a warm spring day in April, a large power station in the village had an accident. Hazardous, toxic air filled with radiation covered the village like a cap. Nobody told the people in the village there was danger from the contaminated air. All day long, Goldie played outdoors with her toys and Artamon. The father continued to go to work, while her mother spent her days in the garden.

Soon some unfamiliar people arrived in the village on busses. There was much confusion in the village. Goldie heard her parents discussing something seriously after the visit. Her mother came to tell Goldie the sad news.

"Goldie, we have to leave here, probably forever. You must say goodbye to your friends Artamon and Fluff," she told her daughter. Goldie was too young to understand it all, but she cried because she knew it was bad news and she didn't want to leave her friends.

All the people in the village boarded busses with few of their possessions. They began a long journey, first by bus, then by train, and finally by bus again. They stopped along the way and stayed in stranger's homes for a night. Finally, they arrived at their destination, a small village. It was like many villages in the country, populated by the old people in rundown houses and many empty ones. The people were told that this was the place where they would live now. And so, a new life began for Goldie and her parents.

When Goldie was six, she went to the local school where she learned to read, and write, and to count. When she was seven, her mother became seriously ill. She was pale, thin and sad all the time. She got tired very easily. She was unable to do the housework, and sat watching her daughter. "My Goldie" were the only words she spoke.

On the eve of the New Year, Goldie wrote a letter to Santa Claus. "Dear Santa," she wrote. "Please help us make my mother well. Give my father a new coat if you can, because he dreams of one. For me, Santa, please give me a doll."

But Santa Claus never answered or granted the girl's wishes. On the second night of January, the mother died. The wind blew outside the little house. Goldie was so frightened. People came to the house and spoke in low voices for a time, and then they went away. The mother was buried in the village cemetery the next day.

Goldie whispered at her mother's grave, "Forgive me, Mummy. I sent my letter too late. Santa didn't get it in time."

Following her mother's death, Goldie's life became miserable. Her father became bad tempered, and would shout at her. He didn't work and began drinking occasionally at first, then more and more. They soon ran out of food and money. Goldie learned what it was to be cold and hungry. Sometimes kind neighbors would bring her warm soup. They would watch her eat greedily, and say, "Poor Goldie."

Neighbors and her teachers insisted that Goldie be transferred to a boarding school in a nearby city for her own welfare. This was a place for children without parents to live and go to school. Goldie liked it there. She liked to look through the window of the classroom at the clumsy busses, rattling trams and beautiful cars passing by.

Then, Goldie became ill. The doctors tested her and said she had a disease in her blood. The disease was caused by the accident that had happened at the power station past April where Goldie and her family had lived. She was sent to a municipal hospital for treatment.

"How did your mother used to call you?" a nurse asked her. The nurse, Nanny, loved all of her patients and they all loved her.

"Goldie," answered the little girl.

"What a nice name. Would you mind if I called you Goldie, too?" Nanny asked.

"No, I wouldn't mind," Goldie told her.

Nanny would sit deep into the night by Goldie's bed telling her about her own life. She had lost her parents at an early age because an evil ruler who reigned over the country had had them killed. "I have neither children nor family," she said sadly.

Goldie loved Nanny and Nanny became very attached to Goldie. She would always come to Goldie's first thing in the morning and ask, "How are you, my Goldie?"

"Good," answered the girl.

Nanny told her about things that happened in the big city. She described broad avenues and streets lighted at night with thousands of lights. She spoke of elegant men and women, luxury cars, windows of expensive shops with beautiful things. She told of many festivals and street parades led by the city's mayor.

Sometimes Goldie would cradle herself at the window for hours looking out at the passing cars and remember the stories Nanny told her.

Once, a delegation of officials headed by the mayor visited the hospital. They walked through the wards asking questions of the doctors and nurses. They would take notes and shake their heads sadly. The mayor told his subordinates, "It is necessary to pass a resolution to bring more money to the city so there will be no poor and sick orphans." The mayor left the hospital, and the hospital continued as it had before. Plaster fell from the walls; squeaking beds kept breaking down, food in the cafeteria went from bad to worse, and portions kept getting smaller.

Winter came with snow drifts that reached the windows of the ground floor of the hospital. Healthy children sledded and threw snowballs.

"What would you like to have for Christmas, Goldie?" Nanny asked Goldie.

"I don't know," Goldie answered weakly. She looked as pale and fragile as a doll.

"And what did you like most of all when you lived with your mother?" Nanny asked.

"I liked to play with my doll my mother gave me when I was a little girl. I used to play with my doll on Mother's bed. My mother used to watch me play and tell me 'I'm so happy to have you, my Goldie.""

Nanny's wages were too small to afford a doll she had seen in a beautiful shop. She had money saved for a rainy day, and decided she would use it to get the doll for Goldie. On Christmas morning, the sun was shining, but it was cold and frosty. When Nanny arrived at the hospital, Goldie was asleep. Sunlight reflected through Goldie's window over her golden hair scattered across the pillow. Nanny quietly went to the bed and carefully laid the doll beside the pillow. It was a doll with golden hair. As Nanny watched her, she realized Goldie wasn't breathing. Goldie was dead and Nanny wept. It seemed to Nanny that the eyes of the golden-haired doll sparkled with tears, too.

The big city continued its bustling life. Men and women drove around in their luxury cars. The windows of expensive shops displayed beautiful things. The Mayor arranged a huge parade and festival...

"Fetch the most precious thing that you can find in the city," said God to one of His angels as he watched the garish streets below.

The angel found the doll with the golden hair on the pillow of the lost little girl and took it to God.

"That's what I wanted," God said. "I want the little girl who died tonight to play with this doll in Paradise. I want to give her mother the gift of seeing her daughter again, and to say again as she once did, 'I'm so happy to have you, my Goldie.""

God continued, "Sooner or later, this country will see a time when helping the poor, the sick, and the orphaned will be of vital importance. For a man will be honored for the things he gives, not for the things he is given."