

Nordic business culture: What is important to know when negotiating with Swedes

How to approach the Swedish market, if you haven't done business there before? What are the Swedes like and what to keep in mind when doing business with them?

When I moved to Estonia 14 years ago, I came to enjoy the straight-forward and fast way of doing business here. Estonians and Swedes have a lot in common, but the devil can always be found in the details. Now after I have been "Estonianized", I can look upon my fellow-Swedes with my Estonian eyes and explain their peculiarities to you.

When trying to find new co-operation partners, or negotiating an agreement, it is often good to have experience from similar situations as this will give you the advantage to focus on the deal more than the things going on around you. Many Estonian companies are young and so are their leaders. As the Estonian market is small too, export is a logical way of expanding business both for products and services. Sweden is a large neighbouring country, so many Estonian companies find their way there.

How to compensate for lack of experience when you are young and want to move fast forward? How to approach the Swedish market if you have not done business there before? In this article I will try to explain the essence of Swedish business culture for you to be better prepared and make better deals with Swedes.

First of all, you have to understand that the Swedish business culture derives from a time and place where the industry was based on engineering technology. Think about the Swedish mining industry, the large factories and the early 20th century innovations. You can also add the fact that there have been no wars on Swedish ground since..., no-one actually remembers. This leads to a society where long-term thinking is highly rewarded.

The long-term thinking also leads to Swedes wanting to investigate and analyse everything before making a decision. This takes time. So be patient. If you hear nothing from your Swedish partner, this does not necessarily mean that they are not interested, it probably means that they are busy analysing all alternatives.

The decision-making of Swedes is odd. I say it as a Swede so believe me. A Swede wants all to agree. Not just the Swedish manager and the opponent's manager, but all. It makes a Swede feel good if all have understood and all agrees to the best solution. The best solution is the solution that the analysis and investigations have shown IS the best solution. This is sometimes also referred to "in Sweden, we do it this way". Swedes generally believe that the Swedish way is the best. Sometimes it can be true, most times not. Please do not just argue about this orally but instead do your homework and show them your written analysis of the situation and the alternatives and then you can all agree on the best solution together.

When and how is a decision made? The way Swedes come to a decision is called the consensus method. Swedes do not think about it, it just happens. It normally goes like this: You have a meeting. There is an agenda. You follow the agenda. Someone takes notes from the meeting. Everybody who has something to say, will say it in the meeting. No matter if you are a manager or an assistant, everyone's opinion is important. The meeting usually ends with the conclusion that some more analysis or investigations are needed. So, you schedule the next meeting with an agreed agenda. This goes on again and again until everyone agrees to the best solution. No-one actually says that a decision has been made but everyone will start to act as the decision has been made and this is the sign for a non-Swede, that now the decision is there.

Please be aware that the Swedish business life is still very much in the hands of persons born in the 1940-ies. For them, anyone under the age of 50 is a child and you might have to demonstrate your abilities before they think it is possible for a company to be run by a person born in the 1980-ies or 1990-ies. Depending on the business sector, you should probably also dress slightly more formal than you would in Estonia. This gives you credibility.

If the negotiations do not move forward and there is a need to take a break, suggest a coffee break (in Swedish "fikapaus"). This is the Swedish standard solution to most things when work does not flow easy.

When on a coffee break, you should talk about other things than work. This is also when you have the opportunity to make the Swedes feel more comfortable in doing business with you.

Here is how you to it: As Estonians, it might be so that you know more about Swedish history than the Swedes you are negotiating with. You can always entertain Swedes with your knowledge about the Good Swedish Times in Estonia, Tartu University, Gustav Adolf Gümnaasium and about the large Swedish-speaking population that used to live on the islands and the West-coast of Estonia. All of these facts will make a Swede feel more confident in choosing an Estonian co-operation partner as he might earlier have thought of Estonia just as an Eastern-European country with a lot of Russian mafia and high level of corruption. Please educate the Swedes about Estonian culture that is probably more Nordic than they think.

It is also good to know that “political correctness” is important to Swedes. To be politically correct means that you must be tolerant and liberal towards others. Swedes also always try to avoid direct conflicts, so they might not always speak their mind.

But after all, we do have a lot in common. Both Swedes and Estonians are quite direct. Most of us are Lutherans or atheists. We live in the same climate zone (although Sweden is a very long country that stretches from the Polar Circle down to Denmark) We enjoy work and value our leisure time. We trust authorities and we appreciate diligence. We respect deadlines and follow rules. We are not overwhelming like Southern-Europeans and we keep quite low profile in situations where we do not feel comfortable. Our ancestors were Vikings that used the Baltic Sea as their highways. Our languages might be very different but both Estonian and Swedish language have a lot of loan words from Plat Dutch (Lower German), the language of the cities in the Hanseatic League in the middle ages. The more you get the Swedes to see you as part of his cultural group, the easier you will have it in the negotiations and to get the deal you wish.

What is good with Swedes is that once there is an agreement, they will stick to it. They have invested so much time and energy into it that they will not easily want to change it.



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