

International Business Term Paper Outline: Finland

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Background of the Culture

Historical Background

Finland has a history that is shaped by Swedish and Russian influence which led to a strong sense of national identity and independence. Finland gained her independence from Russia in 1917 and her post WWII neutrality result from these close ties to the West and Russia (World Fact Book, 2025). This informs her cautious yet pragmatic global perspective.

Hofstede Evaluation

- **Low power distance (33):** Flat organizational structures.
- **High individualism (63):** Emphasis on self-reliance.
- **Very low masculinity (26):** Gender equality and quality of life valued.
- **High uncertainty avoidance (59):** Preference of rules and planning (The Culture Factor, 2025).

High or Low Context Communication

Finland can be considered as a low context culture with direct communication which is direct, explicit and unambiguous.

Thinking and Knowing

In Finland, knowledge is valued through formal education and experiences while learning comes from mastering established systems. The limits to knowledge are acknowledged where practical reasoning prevails.

Doing and Achieving

Doing is more valued in Finland than being with strong emphasis on punctuality and performance. Tasks are done in a sequential manner and the results are prioritized over relationships in business. Uncertainty is managed through planning and structure and lack is not considered central while rules are generally followed.

The Big Picture

There are strong environmental ethos where humans co-exist with nature. The culture is predominantly Lutheran where religion is personal and not dominant in public life. Time is monochronic with strong emphasis on punctuality. Death in Finland is viewed pragmatically where funerals are solemn and respectful.

Self and Self-identity

The citizens have a strong sense of individualism with interdependent social support systems. Obligations are seen as shared responsibilities and age is respected with youths taking more dominance in innovation. Gender roles in business are equal thus Finland ranks high in gender equality.

Social Organization

The membership of groups is often long-term with respected formalities. Personal matters in Finland are considered private and the society is generally horizontal or egalitarian. Authority is often mediated rather than overtly hierarchical.

Language

History and Origins

Finnish is a Uralic language which is not related to most European languages causing some barriers (Lewis, 2018).

Characteristics

It is characterized by no tones, high reflection and it is the official language in the country.

Language as Reflection of Cultural Values

The Finnish language is direct and honest with communication aligning with cultural values for transparency and clarity.

Verbal Greetings

- Hello: 'Hei'
- Thank you: 'Kiitos'
- Excuse me/ Sorry: 'Anteeksi'

Written Communication

They adopt alphabet based language with clear business writing which is structured and formal.

Dates are written as DD.MM.YYY, currency is EUR and numbers are in 1,000,00 format.

Organizing Messages

Who: Managerial roles are defined though it is common to see collaborative input.

Where/When: Businesses meetings are punctual and are often scheduled in advance.

How: Email is the most common form of direct communication.

Routine messages are followed by a direct plan where persuasive logic is based on evidence and practicality. Saying 'no' is done in a respectful manner indirectly. Words carry strong meaning with strong emphasis on honesty and communication is often formal with no overt rigidity.

Non-verbal Communication

It is expected to make eye contact and show confidence though smiling is less frequent but genuine. There are minimal gestures with reserved body language. It is important to have personal space with little physical touch. It is normal to have silence with no discomfort and the people have modest and neat appearances.

Relationships

To show respect, honesty and punctuality is ensured with respect for authority based on competence rather than status. The people prefer harmony over assertiveness with quiet acknowledgement of performance and less boasting. Business and social life are generally separate with modest giving of Gifts. People ensure ethics of transparency, sustainability and trust.

Information, Decisions, Solutions

These are data driven based on culture and preference of hard data. Formal sources are very important and decisions are often made with thorough planning. Addressing conflict is done in an indirect manner focusing on resolution with focus on accommodation and compromise.

Negotiation

Negotiations are well prepared with facts and reserved while the styles are often unemotional, direct and fair.

Doesn't Translate Element

A cultural element that I would not adopt is the use of extended silence during communication.

While silence is considered respectful in Finland, I would prefer more consistent verbal engagement in business setting to avoid misunderstanding and make sure there is clarity among multicultural teams.

References

Lewis, R. (2018). *When cultures collide: Leading across cultures*. Hachette UK.

The Culture Factor. (2025). Country Comparison Tool: Finland. [Online] Available at <https://www.theculturefactor.com/country-comparison-tool?countries=finland> (Accessed 5th April 2025)

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