

Financial Times on September 11<sup>th</sup>, 2000:

## **Enjoy a battle of wits and lunch**

**When doing business in France, take a polite and intellectual approach preferably in French, says Sergey Frank**

French business people are in a class of their own: influences from Northern Europe combine with Latin infusions to give them a unique approach to communication and business.

The first obstacle during negotiations in France is likely to be language. When doing business there, you cannot assume English will be spoken. True, English has become the language of communication among the employees of international companies based in Paris and younger business people especially those in start-ups. But traditional industries and the older generation still tend to work in French.

If you are without a strong command of the French language, you should agree at an early stage of the negotiations to use an If necessary, you should call in a French-speaking lawyer who can help you through the country's complex legislation, which requires licences or other official approval for many business deals.

Whenever you negotiate in France, avoid assuming a relaxed and informal manner as you might in, say, the US. Instead, you should be polite and formal. For instance, only use the first name of your counterpart in conversation if you have been invited to do so.

French business people tend to intellectualise. Unlike in Germany or the US, where the discussion jumps straight to the details, the negotiations in France are more likely to kick off with general principles and strategies. The application of these basic principles comes next; then a rough outline of the content of the deal; and lastly the details.

If you want to come across as professional, try to be well prepared and self-confident, but not arrogant or presumptuous.

Preparation in France means, above all, having command of a coherent argument founded on faultless logic. Avoid the hard-sell and any marketing gimmicks. Instead, your presentation should be sober, well-founded and rigorous.

Your French counterparts will put much store by a sophisticated rhetorical use of language. This means that they appreciate elaborate and abstract communication. In their eyes, coming straight to the point is blunt and somewhat uncouth. At the same time, they are entirely comfortable with robust and direct intellectual exchanges within the negotiation. Indeed, since French negotiators tend to relish a battle of wits, they may even regard the argument as intellectual sport.

The emphasis on argument also means that your counterparty will expect your objections, difficulties and suggestions, to be expressed in terms of an intellectual discourse. It follows that a disagreement is not necessarily an indication of a lack of interest in your overall proposals or an insurmountable objection to them.

The French admiration of rhetoric also emerges in correspondence conducted in the French language. Documents and especially business letters often contain formalities that to the foreign eye seem exaggerated and flowery.

Verbal agreements are to be confirmed in writing by the party who initiated the business project. French business partners place great importance on a contract, and they look for it to be coherent and to give precise definitions of terms.

In contrast to the Anglo-American tradition of case law, French business contracts are usually fairly brief. The paper-chases so characteristic of negotiations in the US are unlikely unless, of course, the transaction is based on US law.

In your negotiations, you may encounter the strong links that still exist between government and business in France. The country still has a surprising number of companies in state ownership.

Many top and middle managers of French companies attended the Ecole Nationale d'Administration, which grooms the country's most promising students to become leaders in government, industry and commerce. After serving in the bureaucracy, many graduates move into business.

And the economic structure is highly centralised around Paris. In contrast to federal Germany, licences or concessions are often available from ministries in Paris even if the business is situated far from the capital city.

Food and wine still play a big role in French business life. Entertaining is regarded as an important part of getting to know your partner. Guests are usually invited to dine at restaurants: in most parts of France, home is reserved for family. The French tend to take longer over their meals than British, Germans or American, for example. Wine is seen as the ideal companion to good food, at both lunch and dinner. Avoid raising issues surrounding the negotiations at least until the meal is finished and, preferably, until coffee has been served though you should take your lead from your host.

By all means, enjoy the food and drink. However, avoid too much wine and rich food, especially during lunch. Your negotiating partner is probably inured to them. As the negotiations stretch into the afternoon, you may find yourself nodding off.

*The author is partner of Kienbaum Executive Consultants and managing director of the London office. [www.kienbaum.co.uk](http://www.kienbaum.co.uk)*