

Mira Söderlund

BUSINESS CULTURE AND CROSS- CULTURAL
COMMUNICATION BETWEEN FINLAND AND INDIA: CASE-
STUDY TIETO

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SUOMEN JA INTIAN LIIKEKULTTUURI JA MAIDEN VÄLINEN VIESTINTÄ: CASE-YRITYKSENÄ TIETO

Söderlund, Mira
Satakunnan ammattikorkeakoulu
Kansainvälisen kaupan koulutusohjelma
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Tässä opinnäytetyössä tutkin Suomen ja Intian kulttuuria ja liikekulttuuria, painottaen kommunikointia. Case-yrityksenä Suomen ja Intian välisestä yhteydenpidosta tutkin Tieto konsernin Suomen ja Intian välistä yhteydenpitoa.

Työ on tarkoitettu yleispäteväksi oppaaksi, kun halutaan tietoa Suomen tai Intian kulttuureista, liikekulttuureista ja kommunikoinnista. Uskon siitä olevan hyötyä myös niin Tiedossa kuin muissakin kansainvälisissä yrityksissä työskenteleville, jotka tekevät yhteistyötä intialaisten kanssa.

Vaikka näiden kahden maan kulttuurit ovat pitkälti hyvin kaukana toisistaan, löytyy niistä jotain yhteistäkin. Olen yrittänyt työssäni tuoda esiin samoja asioita kulttuureista, jotta niiden vertailu olisi helpompaa. Tutkin kolmea tunnettua teoriaa liittyen monikulttuuriseen kommunikointiin. Ne auttavat ymmärtämään Suomen ja Intian kulttuureja ja miksi ihmiset niin Suomessa kuin Intiassakin käyttäytyvät niin kuin käyttäytyvät.

Kvalitatiivisesti tehty tutkimus tukee enemmiltä osin opinnäytetyön teoreettista osiota. Tutkimuksen tein haastattelemalla Tiedon työntekijöitä Suomesta ja Intiasta. Vaikka kulttuurilliset erot ovat suuret näiden kahden maan välillä, sujuu heidän kommunikointinsa tutkimukseni mukaan kuitenkin melko hyvin. Suomalaisen tyyli kommunikoida on suora ja teknologiapainotteinen. He menevät mielellään heti kättelyn jälkeen asiaan ja antavat puhujan rauhassa keskeyttämättä kertoa asiansa. Intialaisten kommunikointityyli on vastakohta suomalaiselle. He haluavat tietää kollegastaan kaiken, jotta he voivat päättää, voiko häneen luottaa. Mieluinen aihe intialaisille on perhe. Heidän puhetyylinsä on epäsuora, mistä johtuu etteivät he mielellään sano *ei*. Suurimat ongelmanaiheuttajat tutkimukseni mukaan ovat erilaiset käsitykset ajasta ja siitä, miten hyvin liiketuttava tai työkaveri pitäisi tuntea ennen kuin yhteistyötä voidaan tehdä.

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Söderlund, Mira
Satakunta University of Applied Sciences
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In this thesis I studied cultures and business cultures of Finland and India. The main subject was cross-cultural communication. My case-company was Tieto. I researched their cross-cultural communication between Finland and India.

This thesis is mentioned to be a general guide when someone wants to get information about Finnish or Indian cultures, business cultures or cross-cultural communication. I think it could help people both from Tieto and other international companies who work with Indians.

Although these two countries are so different, are there also similarities too. I tried to bring out the same things of these cultures that the comparison would be easier. I researched three well-known theories which cover cross-cultural communication. Those help to understand Finnish and Indian cultures and why people behave like they behave.

I made qualitative research by interviewing employees from Finland and India. The research supports mainly the theory. Although the cultural differences are big, according my studies, their communication goes mostly without unbridgeable problems. Finnish communicative style is direct and technology-oriented. They would like to straight to the business after handshaking and they give speaker to speak without any interruptions. Indians communicative style is an opposite for Finnish style. They want to know everything about their colleagues or business partners. After that they can decide if they can trust them. Usually they like to speak about their families. Their communicative style is indirect and that is why they do not gladly say *no*. The biggest problems according my studies, were the concept of time and that, how well the business partner or colleague should know before co-operation.

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1 INTRODUCTION

Every culture has their own unique identity, language, systems of nonverbal communication, material culture, history and way of doing things. That is why it is recommended to study other cultures characteristics before meeting the people from other countries. By saying or acting some way "wrong" might at the worse wreck the businesses.

In this thesis I am going to compare the cultures and business of Finland and India. These two cultures are mostly different. In Finland people are equal, for example women and men have same rights to do what they want. Against in India has got for example a deep gap between rich and poor people. In a business life Finns go straight to the point while Indians are just getting to know their partners. But there are also convergences between the cultures. Both are for example cultures of low uncertainty avoidance. That means that they can stand better an uncertainty and are more relaxed and stress less.

Cross- cultural communication is the main subject in this thesis. Communication styles vary when crossing cultural boundaries. Finns are quite shy communicators who want to concentrate only to the business. They use lots of technical words and are shy to use other languages in business negotiation at first. Indian communication style is not elaborate and they explain their viewpoints in multiple ways. Their communication is indirect and that is why they do not want to use a word *no*. That may lead many misunderstandings in business negotiations.

My case-company Tieto is an international big company which operates in over 20 countries. Because the company operates also in Finland and India, they must have experience on cross-cultural communication. I want to know how their co-operation has gone, especially how the communication has gone. I have choose these two countries because Tieto has operations in both countries and especially because they have so different cultures.

2 PROBLEM SETTING AND METHODOLOGY

2.1 The function of the thesis and the research questions

In this thesis my function is to find out how Finnish and Indian communicate with each other in Tieto, what kind of problems they have and how it could be developed in the future. Before that I will research Finnish and Indian cultures, business cultures, cultural differences and their effect on business communication. I got this idea on my thesis when I did my practical training in an international company named Tieto.

My research questions are:

- Are there similarities or differences between Finnish and Indian style to communicate?
- How cultural differences affect business communication?
- Have Finnish or Indian employees in Tieto had difficulties or easiness when they have communicated with each other?
- How Finnish and Indian employees communicate with each other in Tieto?
- What could help employees to communicate even better?

2.2 The theoretical framework of the study

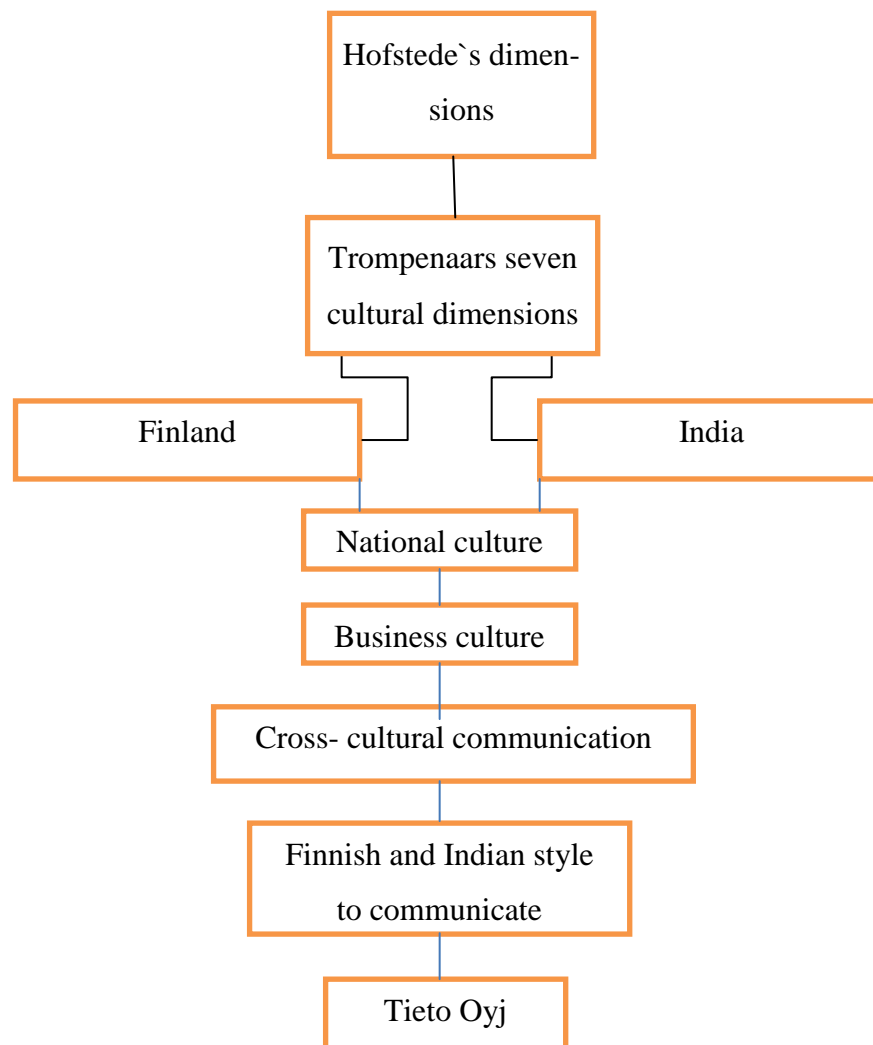


Figure 1. The theoretical framework

I will start this thesis by telling about Finnish and Indian national cultures and business cultures. Then I will introduce Hofstede's and Trompenaar's dimensions and what we can find out from Finnish and Indian cultures according to those dimensions. Next chapter concerns on cross-cultural communication, including for example Finnish and Indian style to communicate, nonverbal communication and theory of Edward T. Hall. Then I will introduce the company that I have used as a case company of my thesis.

2.3 Methodology

Qualitative research means that the researcher chooses beforehand specific person who s/he wants to interview. Questions are open or researcher gives some subject that interviewee openly tells. The results of the research are based on only to the research at hand. It does not matter how truthful the results are. The researcher cannot mix up his/her own attitudes, believes or opinions to the research subject. Instead the researcher should try to understand the interviewee`s impressions and opinions. When the researcher is interpreting the results, s/he tries to understand and organize the answers. In this stage the theory helps the researcher to read, understand and interpret the answers. (Tilastokeskus www-pages, 2013)

My case company in this thesis is Tieto. I am not going to do this research for the company I am just using it as a case company. I want to find out how Finnish and Indian employees in Tieto communicate with each other, what kind of problems they have had and what could help they to communicate even better. I am going to use qualitative research. It would not be possible to use quantitative research in this case because it is important to choose the interviewee`s before the interviewing. So my research method is interview. I am going to interview three persons from Tieto from both countries. This way I will get both countries perspectives of the communication between Finland and India.

When I did my practical training from spring to autumn in 2012 in Tieto, I found out who would be potential interviewees. I found 3 Indians and 2 Finnish interviewees. When I had already written mostly of the theory of my thesis end of the summer 2012, I started to think about the interview questions (Questions found in the attachments). When I had written the questions, I send those by email to the interviewees on August and September 2012. My first idea was to do part of the interviews via Skype but unfortunately its using in Tieto is forbidden. That is why I send the interview questions to the persons by email. On the other hand, by sending questions them by email, they had time to answer and they could choose the time when they do it. On spring 2013 I thought it would be good to get one more Finnish interviewee and I got in touch with people in Tieto in Pori. We arranged an appointment and I asked the same questions from her too.

My interview questions will concern on communication and cultural differences. Because of the time limit(I had to do the interviews during my practical training), I do not have time to make a larger research. That is why the results based on only few people`s opinion. Although the sample is small, I think the results are still reliable if the theory will support the results. These results can be used to make a general picture of the culture but it should be remembered to treat all the people as individualist. I think that personal interviews or interviews via Skype would have gave more reliable and deeper results. Now the results stayed superficial because interviewees answered only on few sentences and also left some questions empty. If I would be there personally I would have asked them more questions too and maybe they would have answered all the questions.

I started my interviews with a basic questions concerning interviewee`s title, responsibilities and tasks in the company. Unfortunately the company did not give a permission to publish the names but their titles are mentioned. Then I wanted to ask how often and how Finnish and Indian colleagues interconnect with each other. From Finnish interviewee`s I asked *How Indians say no?* I have read and written in this thesis that for Indians it is difficult to say *no*. That is why I wanted to get experiences from real life of that. From Indians interviewee`s I asked *What kind of is Finnish concept of time?* I asked it because I have read and written in this thesis that Finns are very punctual and I wanted to know have the Indians noticed the same. Then I asked *How cultural differences have shown in business communication and how they take cultural differences into account?* I think that the two last questions are two of the most important questions for the company. These are *Barriers to cross- cultural communication and how could communication with Finns and Indians be developed in the future?*

3 FINNISH AND INDIAN CULTURES AND BUSINESS CULTURES

3.1 Finnish culture

Finland is a sparsely populated country with 5,4 million inhabitants. The country has been under the control of Sweden and Russia. It won its complete independence on 1917. Because of the long time under the foreign control, there has no native nobility or complicated class division. After the World War II the Finns start to make big investments to industry and farm- and forest economy changed to modern industrial economy; per capita is nowadays among the highest in Western Europe. The country has been the member of the European Union since 1995. Finland is a democratic state which head is the President of the Republic. President is elected by popular vote for a six-year term. It is possible to elect the same president for a second term. The head of the government is Prime Minister who is elected by Parliament and the appointed to office by the president. (CIA www-pages, 2013; Chaker 2011, 27)

According to Finnish constitution they have got two major languages, Finnish (91,2%) and Swedish(5,5%). 82,5% of the inhabitants belong to Lutheran Church of Finland. The key features of Finland's modern welfare state are a high standard of education, equality promotion, and national social security system - currently challenged by an aging population and the fluctuations of an export-driven economy. Children start their compulsory education at the age 6-7 and usually elementary school last nine years. After that the young people choose do they go to high school or vocational school. Still after that many continue studying and go to university or university of applied sciences. One reason for the blanket education is that studying is free and Social Insurance Institution allocates study grants for the students. (CIA www-pages, 2013; Chaker 2011, 27)

According to the British survey, Finland was the world's most affluent country in 2009. This does not just mean only the economic wealth but also Finnish democracy and government. In addition to financial affluent, the survey emphasizes also health, liberty, security and political government. Especially security and the government explain their top place. Other milestones are the best country in the world (News-

week Magazine 2010), The best compulsory education in the world (PISA 2003, 2006), The world's happiest country, in addition to Denmark (Gallup World Poll 2010), The least corrupt country (Transparency International 2007) and the most competitive country, among the 10 best country in 2000-2011 (World Economic Forum). (Helsingin sanomat www-pages; Chaker 2011, 11)

Finland was the second country in the world and first country in the Europe who gave women the right to vote. Finland is a country where women and men have equal rights to do what they want to do. Women can study, they can lead companies, be a Member of Parliament, go to army, while men can for example stay home with children. Unfortunately still only few of the men use their right to stay home. It is more general that women stay home and men go to work.

3.2 Business culture in Finland

Finland is a country of high-technology and free-market economy. She is strongly competitive in manufacturing, especially the wood, metals, engineering, electronic industries and telecommunications. It is said that she is the world's leading information society with an advanced communications infrastructure and with the highest penetration of mobile phones and Internet connections in the whole world. The Finns are "tech-savvy" and are well disposed to technological innovations. Adoption of new technologies by many industries has been quickly. (CIA www-pages; Swallow 2011, 224-225)

According to the writer Finnish do not want or are able to market themselves forward. That is why they really need to get over their shyness, their reserve and the attitude that anyone being "pushy" is bragging. The Finns do not feel comfortable with foreigner partners. They do not want to share things. They have just now realized that all the customers do not have the same needs. They think that quality is the most important thing and the customers either want the product or not. Because of the customs and traditions, the Finns are not used to being sold to. This has got bad effects when the Finns are trying to sell or to compete from markets with some more "pushy" countries of the world. The Finns do not have much small talk and they do

not strike up enough relationships. On the other hand, they are attentive, good listener and they have a good sense of humor. (Swallow 2011, 225-226)

Finns are kept self-disciplined and hardworking who like to work in teams. However, they are more individualist than collectivist and they like to be left alone to get on with their jobs and they do not want close supervision. Still they openly share their knowledge, and learning in organization is a key feature of Finnish business. They share the information and knowledge on the meetings, which are usually long but quiet. Meetings are structured, follow specific agenda and one person speaks on time. Finnish team leader will lead his or her team from the front, by outlining the goals and each member roles, and then moves to background and let the team to do their work conscientiously. Experts are calm, soft-voiced and slow but in general there is no formality about them and that is why they are very easy business partners. They also accept you for what you are. Women take part of Finnish business life and many women can be found in the most senior positions in big companies because Finland has a great state- funded nursery provision. (Swallow 2011, 228-229, 231; World Business Culture www-pages 2012.)

3.3 Doing business with the Finns

It is recommended to arrive on time at any business meeting with the Finns. That is virtue but coming few minutes late is acceptable. Another important thing that should be remembered when doing business with the Finns is a good handshake. Every time when you see your Finnish business colleague or say goodbye, you should shake hands with them. It is good to know that in Finland they expect that you shake hands when saying your names. (Swallow 2011, 226, 229.)

Right after the handshaking, you can go straight down to business. The Finns give you a chance to tell your business case and they expect that you say all the relevant information that they need to make a decision. They barely ask questions, because they think you have already told all important information. (Swallow 2011, 227.)

Usually the Finns are well qualified and well educated and experts in their field. They hate to look silly and do not like to be shown up in front of others. When you are coming to keep for example a product presentation, the Finnish audience expects that you have well prepared, they will take you at face value, but assume that you are an expert in your field. You should also remember that the Finns are not used to being sold. So do not push or brag your product. If you want to sell something, you must be very knowledgeable about the products technical features because Finland is so engineer-dominated. They can ask you to tell or show relevant facts and figures and specification details too. (Swallow 2011, 228, 230.)

The Finns are spontaneous and decisions are made quickly and mostly there are many people doing it. In a Finnish company, anyone can approach the boss and voice their opinion. Still a Finnish boss says the final word when she or he has got all the facts. Contracts are short and straightforward, where everyone's obligations and deadlines have written. (Swallow 2011, 230-231.)

3.4 Indian culture

During the 16th century, European explorers began coming in India. In a couple of hundred years, Great Britain had become the dominant political power in India. The British Indian Army played a vital role in both World Wars. Under the baton of Mohandas Gandhi and Jawaharlal Nehru, India became independent in 1947. Large-scale communal violence took place before and after the subcontinent partition into two separate states - India and Pakistan. These two countries have fought three wars since their autonomies, the last one was in 1971 and resulted in East Pakistan becoming the separate nation of Bangladesh. India tested its nuclear weapons in 1998 which led Pakistan to conduct its own tests that same year. In 2008, terrorists originating from Pakistan conducted a series of coordinated attacks in India's financial capital Mumbai. Despite problems such as significant overpopulation, environmental degradation, extensive poverty, and widespread corruption, economic growth following the launch of economic reforms in 1991 and a massive youthful population are driving India's emergence as a regional and global power. (CIA www-pages, 2013.)

Just like in Finland the chief of state is President and the head of government is Prime Minister. Otherwise than in Finland, President is elected for a five year term and there are no limits to elect the same President again. President is elected by an electoral college consisting of elected members of both houses of Parliament and the legislatures of the states. Prime minister is chosen by parliamentary members of the majority party following legislative elections. (CIA www-pages, 2013.)

India is a country of billion people with 16 major languages, 1600 minor languages and dialects, at least 50 tribes and 6 ethnic groups. As a former British colony, English is the most important language for national, political and commercial communication, although it is subsidiary language in India. Primary language Hindi, is the most widely spoken language, 41% of the people use it. There are also 14 other official languages. Most of the Indians (80,5%) are Hindus. (CIA www-pages, 2013.)

Indian culture is diverse mix of contrasts, colour, spirituality, collectivism and avoiding conflicts. There has got deep chasm between the rich and the poor, rural versus (vs.) urban and politicians vs. workers. Indians believe in colours, they dress colourful clothes like dark red and green. The notion of karma and everything what happen, happens for a reason has significant meaning in decision making and it is seen when working with them. Joint families, lack of privacy, very small personal space and a strong sense of community are all common in collectivist India. There has got a large and quickly expanding markets, abundant natural resources, excellent skilled manpower, science and technology expertise, good English language skills and liberalized economic environment. (World Business Culture www-pages 2012; Kumar & Sethi 2005, 73, 84; Venkatachalam 2012.)

Indian caste system has undergone many changes. The worst forms of caste separation have prevented with laws, and interaction between low and high castes has increased for the most part of because of the education. Still nowadays hierarchy and subordination are part of daily life in India. The caste determines marrying convention (about 90% of the marriages are organized) and affect as political organization as everyday interaction. The difference between different castes based on purity. The higher caste, the cleaner she or he is kept. It does not mean hygiene purity, but dis-

tance from biological processes like birth, death and wastes. Fishing, cleaning and laundering are for example impure works. To the caste one is born, individual cannot change his or her caste. If a human has done his or her obligations well, she or he can be born to the better caste on the next life. (Tenhunen & Säävälä 2007, 43-44.)

India has different concept of time than Western countries. It could be said that Indian Standard Time (IST) gets transformed into “Indian Stretchable Time”. People working with Indians have to get used to that work or meetings promised at specific times and dates just not come true. Hinduism has affect to the linear concept of time and the linear nature of life, where everything has a beginning, an interim, and an end. Hinduism as a philosophy views time in a cosmic perspective. (Kumar & Sethi 2005, 74-75.)

There are specific times and days for each event in India. For examples dates and weddings are fixed with great precision on the basis of the “religious time”. These important events, meetings, shopping and other activities must be avoided during specific times of each day termed Rahukala. Rahukala is associated with the mythical planet “Rahu” and Indians believe that is the cause of eclipses. It is said that Rahu’s negative effects are on the top during certain periods of the day termed as Rahukala. Those who born during these periods are doomed to live without peace, money and general well- being. At the same time there are inappropriate times for example for activities, there are also highly auspicious dates and times to perform ceremonies and celebrations. Priests calculate these days really precision using convolute astrological methodology. (Kumar & Sethi 2005, 75-76.)

Finnish and Indian cultures are very different. Finland is a country of equality, while in India has got big differences between the rich and the poor people. If someone was born in poor family in Finland, it is possibility to advance in very high position in a workplace because of the high- quality and free education. In India this is not possibility, because human cannot change the caste where he or she was born. Next life it is possibility to born to better caste if the human has done his or her obligations well. The biggest caste separations have prevented with the laws but still it is present in daily life in India. There has always been right to choose a partner in Finland but in India most of the marriages are arranged. At the worst marriages are arranged when

the children are still preschooler and their childhood ends too early. A religion has only slender influence to daily life in Finland as against in India it has strong influence to everyday life.

3.5 Business culture in India

India's economy consist of traditional village farming, handicrafts, a large scale of modern industries, agriculture and lots of services. Over 50% of the work force is in agriculture but services are the major source of economic growth. India is nowadays a major player in the world economy that has got ascendance in knowledge- based activities. It is the second fastest growing economy in the world and is becoming an active participant in the global economy. At the same time other countries interested in India and for example invest money there. The quick growth of the information-technology sector, globalization and deregulation (Indian economy was a long time closed and regulated and opened to the world market in the 1990's caused by economy reforms), have created new opportunities for local and global entertainments. India's future looks great because of the young population and corresponding low dependency ratio, healthy savings, investment rates and increasing integration into the global economy. India has got still problems that it has to solve like poverty, bad infrastructure, weak employment opportunities and good and high quality education. (CIA www-pages, 2013; Ministry for Foreign Affairs www-pages 2012; Kumar & Sethi 2005, 27.)

There has got some points that need to take into account when doing business with Indians. First one is that India is a country where relationships are placed before business. That is why in the meetings are often talked about non- business focused issues like families. "Do you have children?", might be the first question from the Indian partner. A family is so important part of the identity, that lack of that can cause suspicions. Asking of the family is friendliness, but also finding out of the trust. The family is the most important informant and the word of the foreign business associate moves fast. If you have done your job well and someone familiar trust on you, everyone else trust on you as well. When the foreign business partner is fa-

miliar with the family, s/he can use their networks. This is an important part of the business and should be taken seriously, not as a time wasting. After you have convinced your contacts of your personal worthiness, start doing business. 99% of the enterprises are owned by families in India. That is why they also favor family businesses because it is familiar figure for them. When they have got to know their business partners they like to invite them to their home and family celebrations. Personal communication, long-term cooperation and investment to relationships are important investments in India. (World Business Culture [www-pages](#) 2012; Lehtipuu 2010, 168-169.)

Second one is a caste system which ensures that business is hierarchically structured and boss is the boss. The boss gives clear instruction how to work and employees follow them- even if they know the instructions are incorrect. The boss takes total responsibility of success or failure of the project. If something goes wrong, the boss sorts it out personally. Team members want to hear positive feedback, but negative feedback is difficult to handle. Indian business structure and society are both very hierarchical and people have a specific position from they do not attempt to overturn. It is very important to understand how hierarchical country India really is that companies would not lose their time and money. It is recommend to work and communicate with people who are on the top of the company. A company can waste time and money with dealing with middle management who has in reality only little impact on the final decision making. (World Business Culture [www-pages](#) 2012.)

Employees usually hope that an employer or a boss creates a personal and emotional master- subordination relationship to them. Subordinations are loyalty for the boss and boss takes care of them. Indians are excellent conversationalists but it does not help to create an open contact from low caste to higher caste. Communication on hierarchy links requires encouragement and special attention that it will succeed. (Tenhunen & Säävälä 2007, 61-63.)

Meetings are often very informal. There has got interruptions and some unknown person from audience can enter the room and start to converse about other disconnected issues or answer to phone. This just has to accept. (World Business Culture [www-pages](#) 2012.)

It seems that foreign women have some difficulties to be accepted in an Indian organizations. That is just inherent for Indian culture. If a woman is a manager, she has to be there for a reason and her instruction are followed just as male managers. At the moment most of the Indian managers are men but also women are ascend to be managers because of the women education and influence of western countries. It is important that women managers act in a formal manner with male subordinates, because any signs of friendship or affection could be misinterpreted. (World Business Culture [www-pages](#) 2012.)

Giving gifts is a part of Indian business life. It is thought that giving gifts during life helps to get a better afterlife. Gifts can be a small and cheap but it has to be wrapped, but not on black or white paper which are considered unlucky. Gifts are not usually open front of the giver. Try to think about regional conventions and sensitivities of the receiver and do not give alcohol to a Muslim or beef to a Hindu. (World Business Culture [www-pages](#) 2012.)

Also the Finnish and Indian business cultures differ much from each other. Finnish people are precise and show their respect by hearing others. Finnish are also shy at the beginning. Maybe the biggest difference is that Finnish people go right to the point after the handshaking. Indians cannot understand this. They have to really know their business partner and trust them before they can do business with them. Discussing about the family is always a good subject with the Indians. Hierarchy is seen strongly in Indians business life. All the employees have their positions in a workplace and they have to stay there. Finnish should try to do work with the people who work in as a high position as possibility and has right to do decisions when it is time.

3.6 Bilateral relationships between Finland and India

Relationships between Finland and India are excellent. These two countries political and financial co-operation has been shown of active visits in both countries. They are also consummated agreements which assist co-operation in different fields. Finnish

and Indian authorities keep connection regularly. Trade between Finland and India has been grown very fast after a year 2000. However, Finnish export and investments are quite small in Indian scale. India is a fifth most important trading partner for Finland in Asia. 85 Finnish companies operate at the moment in India, most of them in heavy industry or in software field. Those companies employ about 15 000 people. In addition, about 100 Finnish companies operate there through agents and representatives. (Ministry for Foreign Affairs [www-pages](#) 2012.)

For the Finnish companies India offers business opportunities in the fields of infrastructure building, environment technology, healthcare, education and foodstuff industry. Heavy administration system, corruption and customs- and tax systems inflict challenges but offers also lots of possibilities to Finnish investors. (The Finnish Embassy [www-pages](#), 2012.)

4 THEORIES STUDIED IN THIS THESIS

4.1 Hofstede`s dimensions

It is a risky to make conclusions of other cultures and people living there only based on individuals opinions and experiences because one`s opinion might be biased. When we want to know if there are really differences between cultures, we should use a large amount of data and systematic analysis to draw the conclusions. (Patwardhan 2010, 35.)

I have researched three theories related cultural differences and the first one is professor Geert Hofstede`s cultural dimensions. Professor Hofstede has made one of the most comprehensive studies how cultures influence on values on a workplace. He is one of the leading representatives of intercultural research and studies and his findings and theoretical ideas are used in psychology and management studies around the world. His most popular book “Cultures and organizations: Software of the mind” has translated to about 20 languages. (Geert Hofstede [www-pages](#) 2012.)

Next I will introduce Hofstede's five dimensions: Power distance, Individualism versus (vs.) collectivism, Masculinity versus femininity, Uncertainty avoidance and Long-term versus short-term orientation. These five dimensions help to explain and understand different cultures' behavior. It is good to know that the next examples are extremes and do not always tally with all people.

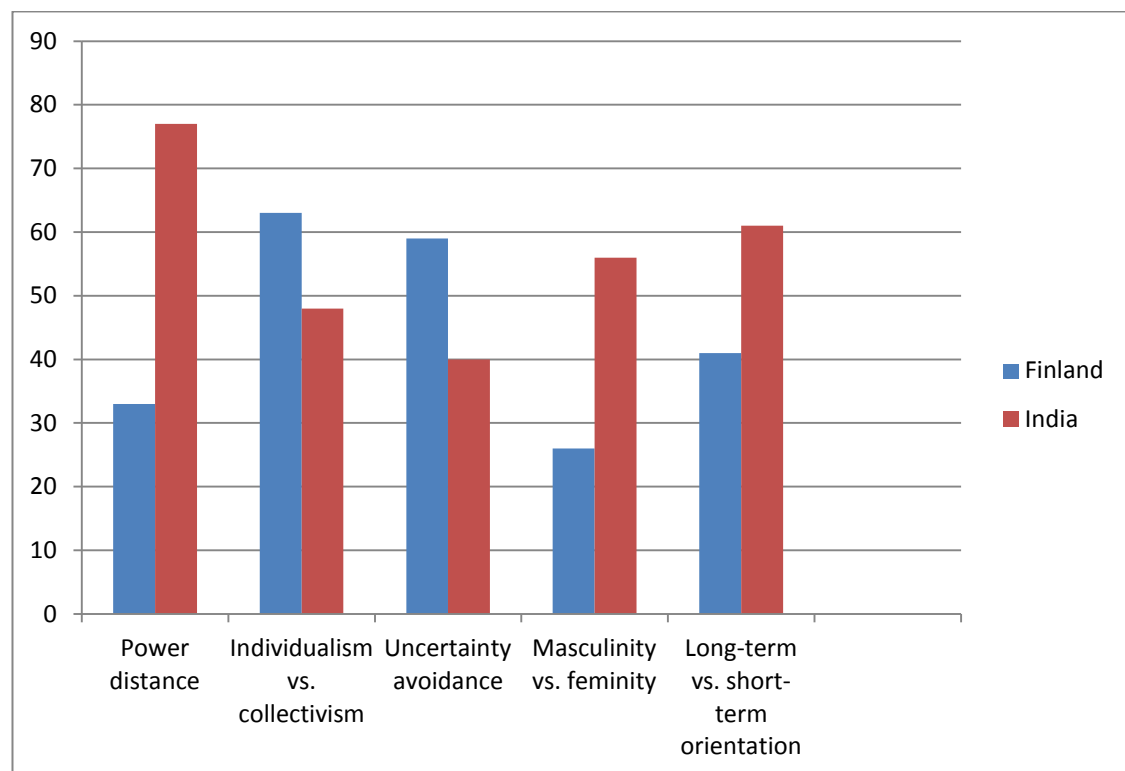


Figure 2. Here are seen Hofstede's five dimensions and the differences between Finland and India.

4.1.1 Power distance

Power distance defines how people from different cultures regard with inequality. It could be said that it gives information from interdependence in different countries. In countries where Power distance is small, dependence on manager is minor and there is favoured a manager who negotiates with subordinates. In those countries subordinates can approach managers and argue with them. In low Power distance countries subordinates and managers are equal and their differences in salaries are minor. Employees are educated and physical work is more valued than work in offices. Subordinates expect that their opinions are asked when deciding things which have influ-

ence on them. Ideal manager is skilful (that is why s/he is respected) and young. (Hofstede 1992, 44-60.)

On the other hand in countries where Power distance is high, subordinates are dependent on their managers. In high Power distance countries subordinates do not approach much their managers or argue with them. Subordinates and managers are unequal and salary differences between high and low level are big. The power of an organization is concentrated only on few hands. Employees are not so educated and office work is much more valued than physical work. It is also expected that to subordinates are told exactly what they have to do. (Hofstede 1992, 44-58.)

Finland has score 33 which means that it is a country of low power distance. There anyone can achieve a good place in a workplace with good education. Administration has decentralized and people do not need so much close supervision. (Patwardhan 2010, 38.)

India has score 77 which means that it belongs to high power distance countries. There people born to social class and only the elite gets the education and can ascend well on their career. Children are expected to respect first their parents and elders, then teachers and then senior in the organizations. (Patwardhan 2010, 38-41.)

4.1.2 Individualism vs. collectivism

Most of the people in the world live in societies where groups benefit are more important than individuals benefit. These countries, like countries in Asia and Africa, are called collectivists countries. Children grow on extended families which consist of many close people, not only mother, father and sisters but also grandparents, aunts, uncles and servants. They learn to see themselves as a part of “us”. (Hofstede 1992, 77.)

In a working life collectivist countries, like India with a score of 48, favor always immediate family because it reduces employer’s risk. Relationship between employer and employee is seen like family relations. A bad performance is not a reason for

divorcing. In collectivist countries confidential relationship has to build before any business. After a good relationship has built, people are taken to one's immediate group and they get a special treatment. (Hofstede 1992, 96,101.)

Individualist countries are minority in our world. In countries like North- western- and central Europe, individualist benefit is more important than groups benefit. Children are raised in nuclear families with their parents and they see relatives seldom and they see themselves as "I". They are raised to stand on their own legs and it is expected that they are not dependent on any group. (Hofstede 1992, 78.)

Persons are expected to think their own benefits when working in individualist cultures but work should be organized thereby that employers and employees benefit are linked up. In individualist countries, like Finland with a score of 63, it is not recommended that relatives or couples are in the same working place. (Hofstede 1992, 95-96.)

4.1.3 Uncertainty avoidance

Uncertainty avoidance measure how people stand dissimilarity. People who live in low uncertainty avoidance countries, like Finland with a score of 59 and India with a score of 40, have a stronger feeling of wellbeing and they stress less. They are also comfortable with situations which are different and ambiguity. In a working life experts can admit that they do not know everything. Motivation for working they get from achievements and esteem but still it is common working hard only when it is necessary. People blanch formal regulation that is why these are made only when it is necessary. Problems are solved without formal rules and people are proud of that. (Tekajarin 2009; Hofstede 1992, 175.)

Living in high uncertainty avoidance countries, mean that everything new is dangerous. People try to find right answers and they need rules. They keep themselves busy and work hard. They get motivation from security, esteem and belongingness. In working places, work is controlled with many internal regulation and directions. The need of all the rules is based on psychology- people have got used to feel good in ac-

curate environment. Usually people's behavior is illogical when they follow all the rules and regulations. But it does not matter how the rules really work, so long as they are in being. (Tekajarin 2009; Hofstede 1992, 174-175.)

4.1.4 Masculinity vs. femininity

In masculinity countries money and success are important. People have to try to do their best and if they fail, it is catastrophe. Masculinity cultures are cultures where social roles are clearly separated. Men are expected to be tough and try to get material success and women are soft and modest. (Tekajarin 2009; Hofstede 1992, 122.)

In femininity cultures where social roles are overlapping, both women and men are supposed to be modest, soft and interested in quality of life. Conflicts are solved by compromise and negotiation. (Hofstede 1992, 122; Tekajarin 2009.)

India belongs to high masculinity countries with scores of 56. That means that they are career orientated and want prefer more money than free time. Work is a central of their life. (Patwardhan 2010, 51.)

Finland with scores of 26, is more feminine country. They are job oriented but they respect their free time and life's quality. (Patwardhan 2010, 51.)

4.1.5 Long-term vs. short-term orientation

Some cultures are more long-term orientated and others are more short-term orientated. In long-term orientated countries, like India with a score of 61, people are dynamic and they think about more future than people in short-term orientated countries, where are taught more past and this day and people are more static. In short-term orientated countries, like Finland with a score of 41, people do quick decisions whereas, for example in India, important decisions are carefully made. (Tekajarin 2009.)

4.2 Trompenaars seven cultural dimensions

Many people work daily with people from other cultures and backgrounds. Usually these dealings go well and cultural differences are enriching experiences. Sometimes people can do mistakes only because they did not know that something is for example taboo in some cultures. Fons Trompenaars and Charles Hampden- Turner have written a book named *Riding the waves of culture* which helps people to dealing with people from other cultures. These two researchers spent 10 years researching the preferences and values of people in many of cultures around the world. They found out that people are not just randomly different but they differ in very specific, even predictable ways. Reason for that is that every culture has its own way of thinking, its own values and beliefs, and different preferences placed on a variety of different factors. They concluded that what distinguishes people from one culture compared with another is where these preferences fall on each of the following seven dimensions. (Mindtools, www-pages 2013.)

4.2.1 Universal versus the particular

This first dimension shows how we judge other people`s behavior. Universalist people obey to the law, rules, values and obligations very faithfully. They try to deal fairly with people based on these rules, but in the event rules come before relationships. Universalist people wait for the green lights even if there is no traffic in the way. (Mindtools www-pages, 2013.)

For particulars people relationships come first. Their judgments focus on the exceptional nature of present circumstances. People are not citizens but some one`s brothers, sisters, friends, children and so on. They must be protected no matter what the rules say. Their response to a situation may change, depending on what has happened or who is involves that. (Trompenaar & Hampden-Turner 1997, 31.)

In a business life universals might say of particulars, "they cannot be trusted because they always help their friends". As same time particulars might say of universals "I

cannot trust them because they never help their friends". (Trompenaar & Hampden-Turner 1997, 31-32.)

With the help of specific questions, Trompenaar has found out that Indians, with a score of 54, are more particular people than universal. They are ready to help their friends and relatives although it would be against the law. There was no result of Finland but it is said that most of the north European are more universal than particular. I think that Finland has closely same result than Sweden with a score of 91. Universal people think that the society would fall apart if all would lie for their friends. (Trompenaar & Hampden-Turner 1997, 34-35.)

Heavy contract are common in universal society`s like Finland. The contract tells the right and the obligations of both side. There is also mention of the sanction and confrontation if something goes wrong. For particular people, the friendship and trusting a partner is more important than contracts. They keep their promises because they have personal relationship with the partner. If a Finnish partner shows with the heavy contract what happens if the Indian partner does not do his obligations, Indian feels that he or she is not trusted and might behave in untrustworthy way. That might fall the whole business cooperation. (Trompenaar & Hampden-Turner 1997, 39-40.)

Finnish business person should pay attention in a timing a business trip when s/he is going to see an Indian partner. They should allow at least twice the time than normally to get a contract with the Indians. If the Finnish partner has hurry, Indians might be suspicious. It cannot be too emphasized the importance of good and reliable relationship. (Trompenaar & Hampden-Turner 1997, 40-41.)

4.2.2 Individualism versus communitarianism

The next dimension measure what we want and, where we belong and how we relate other people. Individualist people believe in personal freedom and achievement. They make their own decisions and take care themselves. Communitarian people think that group is more powerful than individual. The group gives help and safety

when you are loyal to it. The group comes always before the individual. (Trompenaar & Hampden-Turner 1997, 50; Mindtools [www-pages](http://www-pages.com), 2013.)

By asking specific questions from managers from different cultures, Trompenaar has found out that Finnish are individualist people, with a score of 64. Indians are communitarianist, with a score of 37. (Trompenaar & Hampden-Turner 1997, 57.)

Making a decision takes usually much longer time in communitarian cultures, like in India. They continue their negotiation as long as everyone has the same opinion. They have much detailed information of the things that they are negotiating. This takes time but on the other hand, save time when it is time to implementation. (Trompenaar & Hampden-Turner 1997, 60,61.)

In individualist cultures, like in Finland, decision-making is usually very short. Saving time in decision-making, usually backfire on when it is implemented. (Trompenaar & Hampden-Turner 1997, 61.)

4.2.3 Affective versus neutral

Reason and emotion plays a role when are talking about people's relationships. Which of these two dominates, depend on are we affective or neutral in our approach. Neutral people do not use emotions on communication but keep them carefully controlled. It does not mean that they are cold and callously, it is just usually a convention. High affective people show their feelings by smiling, laughing, grimacing, scowling and gesturing. (Trompenaar & Hampden-Turner 1997, 69.)

According to Mindtools websites, Finland is a typical neutral culture. Finnish people do not show what they are thinking or how they feel. According to Trompenaar's survey, 41% of Finnish and 51% of Indians would not show their feelings in a workplace. That means that Indians are also more neutral than affective people. Personally I would say that more than 41% of Finnish would not show their feelings in a workplace. Finnish are also poor to show their feeling on their own time as well. (Mindtools [www-pages](http://www-pages.com), 2013; (Trompenaar & Hampden-Turner 1997, 70.)

4.2.4 Specific versus diffuse

Next dimension is closely related to whether we show our emotions. "It is a degree to which we engage others in specific areas of life and single levels of personality or diffusely in multiple areas of our lives and several levels of personality at the same time." (Trompenaar & Hampden-Turner 1997, 81.)

In specific countries, including Scandinavian countries like Finland, people keep their work and personal lives separate. Although relationships are important, Finnish think that they can work together without having a good relationship. (Mindtools www-pages, 2013.)

Indians are totally opposite with the Finnish in that thing. They have an overlap between work and personal life. Good relationships are vital and relationships are same whether are they work or on their own time. They also spend time with their colleagues and clients outside of work too. (Mindtools www-pages, 2013.)

4.2.5 Achievement versus ascription

When some societies give a status to someone based on his or her achievement, it is called achieved status. Some societies give a status which is based on age, gender, class, education and so on, it is called ascribed status. (Trompenaar & Hampden-Turner 1997, 102.)

People in achievement countries, like Finland, believe that you are what you do, it is not matter who you are. Meanwhile in India people believe that you should be valued for who you are. Power, title and position are important. (Mindtools www-pages, 2013.)

In a business negotiation it is common that ascriptive team members have eminence grise background to whom they have to submit any proposal or changes. It is not clear what this eminence grise do. He (usually he is male) does not say what he wants, he just expects deference from business partner and his whole team. For peo-

ple from ascriptive cultures it is upsetting when a young men and women come to negotiate with them. It feels like they would play with a toddler and a toy gun. They might also think that have these business partner reached their own level of experience in half the time. (Trompenaar & Hampden-Turner 1997, 108-109.)

4.2.6 Sequential time versus synchronous time

"Just like cultures have different assumption how people relate to one another, so they approach time differently." Important is that is our time view sequential. a series of passing events, or is it synchronic, with past, present and future. (Trompenaar & Hampden-Turner 1997, 120.)

Cultures of sequential time like events happen in order. They are punctually and they like to schedule and stay to the plan. "Time is money" for them. People from synchronous time cultures see the past, present and future as interwoven periods. (Mindtools www-pages, 2013.)

It has already came clear that Finnish people expect punctuality and to them "time is money". Indians against are not punctuality. If they are going to business meeting, they can still catch up with some friends who walks against.

4.2.7 Internal direction versus outer direction

The last of these seven dimensions concerns how we relate to nature. Other cultures believe that they can and they should control nature by imposing their will upon it and other cultures think that people are part of nature and they must go along with its directions, laws and forces. First mentioned is called inner-directed and the second one outer-directed. Because inner-directed believe they can control nature or they environment, in a workplace this affect the way they act in groups and in organizations. Outer-directed see the organization as a part of nature, owing its development to the nutrients in its environment and to a favorable ecological balance. In relationships with friends or colleagues they focus their actions, avoiding conflicts always when it is possible. In a working place outer-directed need often reassurance that

they have done good job. (Trompenaar & Hampden-Turner 1997, 141; Mindtools www-pages, 2013.)

According to Trompenaar`s survey 32% of Finnish and 30% of Indians believe that it is worthwhile to try to control nature. 67% of Finnish and 63 of Indian answers think that what happens to them is their own doing. That means that both of the cultures are more inner-directed. (Trompenaar & Hampden-Turner 1997, 143-144.)

4.2.8 Tips for Finnish of doing business with Indians:

- Prepare that Indians ask lots of you and your family as a small talk.
- Be patience and allow time.
- Remember that usually the negotiator cannot do the final decisions but superior do it.
- Communitarians are the toughest negotiators. You have a tough job to persuade them to cede to you points which the multiple interest in your company demand.
- When you are doing business with someone who has people(helpers) around him or her, it means that s/he has a high status.
- It is goal to build a lasting relationship.
- Study Indian and the organization`s history, background and future vision.
- Respect a person`s title, age and so on.

Your team should consist of enough old people, because that impress that you keep the negotiation important.

- Respect your partner status, even if he or she would not know as much as he or she gives to understand. But do not ever show them up.
- Use your title which shows them how degree you are in your organization.

(Trompenaar & Hampden-Turner 1997,49, 67, 100,118.)

4.2.9 Tips for Indians of doing business with Finnish:

- Remember that Finnish go straight to the business.
- Prepare for the "formal" and "professional" negotiation and presentations.
- Prepare for quick decision-making.

- You have a tough job to sell the product or service for Finnish.
 - Conducting the business alone, means that s/he is respected in his or her company.
 - It is goal to make a quick deal.
 - Study the Finnish company`s objectives, principles and numerical targets.
 - Be quick and efficient.
 - Plan your presentation with time, agendas and intervals.
 - It is not necessary to use titles.
 - Ensure that your technical presentation works and that you have someone who can fix it, if it does not work. It is important to show Finnish that the project will work.
 - Respect Finnish knowledge and information.
 - Use title that shows how competent you are as an individual.
- (Trompenaar & Hampden-Turner 1997,49, 67, 100,118.)

5 CROSS-CULTURAL COMMUNICATION

Communication is seldom easy because individual differences in personality, age, gender, social skills and their socioeconomic backgrounds differ. Definitely the difficulties increase when one crosses cultural boundaries. As the cultural distance increases, so do the communication styles. (Kumar & Sethi 2005, 103.)

Modern technology and Internet have opened new business opportunities for companies. They can sell and promote their products and services worldwide without being self there. When communicating with people cross-culturally, should be considered different cultures. The key to the effective cross-culturally communication, is basic understanding of cultural diversity. It takes time to study other cultures, so you must be patient. Although English is the business language, it is mistake to assume that everyone speaks and understands it well. That is why it is recommend to keep the speaking as simply as possible. It is also recommended to avoid humor, until you know for sure that the person "gets it". Avoiding mistakes and misunderstandings, it might be good idea to use translator on hand. That ensures that all parties understand

each other and business run. Remember that using words *yes* and *no* differs across cultures.(Mindtools, www-pages, 2013.)

5.1 Finnish way of communication

Finns are very quiet. It is common that they speak only when they have something important to say. They can even sit in a meeting a long time without making any verbal contribution. This does not mean that they do not understand or are not interested in. They will respond when they feels it appropriate. Also the body language of Finns is quite limited and not easy to read. They use humor in business meetings and usually it is laconic and self-deprecating. Finns are also shy to talk a foreign language, but patience and encouragement will help with that. (World Business Culture www-pages 2012.)

Cultural intelligent communication is balancing communication, evaluating the situation and adapting own communication to the receiver. Usually cross-cultural communication is difficult because politics, history, economy and the present are involved in. The strengths of the Finnish communicators are reliability, a talent of conciliation, sensitivity of communication, equality, candor and professional people. Their weaknesses are neutrality and that they concentrate only to the issues on the hand. On the other hand these could be turned to strengths in international communication. (Lehtipuu 2010, 17.)

One of Finnish strength is a talent of conciliation. With a directional questions, through own speech, the conciliator builds conclusions on the way that both parts feels that they have influenced to the content. A good conciliator is able to listen to others and give value and trust all the members in team. In many Asian countries are trusted a conciliatory style and that people are listened. The Finnish communicator should learn to stand more open conflicts because in many countries feelings are an effect, a part of influencing to the communication. (Lehtipuu 2010, 18-20.)

The other strength is reliability. For Finnish it is important to stand back on their words, try not to be promising too much. To the reliability is usually connected a

candor. This could be a trump in negotiation, if a business partner is familiar with that. Reading straight from papers or going direct to the business might in the worst case close doors in the world. Finnish communication is usually very technology oriented and it could leave the opposing side cold, especially in Asia when are just getting to know each other. In cultural intelligent communication is important to learn to measure out personality right. When the trusting has built, can the expression be more open and direct. Indians respect Finnish clarity, transparency and correctness. When Indians know their Finnish partners and cooperation runs, Indians feel safe with Finnish partner. (Lehtipuu 2010, 21-23.)

The third strength is equality. Although in hierarchical countries it might be felt as a summoning of power, is respectful equality still a good start for communication. This is special challenge in countries where keeping one`s faces is important. In those countries the Finnish communicator has to put his or her words softly, indirectly. In most hierarchical Asian countries, like in India, a company`s command has usually based on age, gender and position. Women have also started to get the lead of the company`s in Asia but still it is expected that women have some "good woman`s" features like familism and consideration when communicating with men. Foreign women have told that they try to not to fail to highlight their age or gender. Important and surprising moments demand finesse, wisdom and persistence to signal her leadership. (Lehtipuu 2010, 23-25.)

At the heart Finns are friendly and open, although they might give a shy and reserved first impression. An attitude toward shyness depends on cultures. In some Asian countries Finnish careful approach can be a virtue and competitive advantage. Finnish concentrate on essential, stick to the point and stand silence moments. The most important things to them are functionality and reliability. (Lehtipuu 2010, 25-27.)

Finns can be cultural intelligent communicators, although they would not be lively actors in business life. They have got lots of good communication strength, they just have to know how to use those strengths right. Finnish simplicity usually helps they to communicate with Asian people because they have experience of living in simple places like countryside or cottages. This helps to understand people from countries where high technology is not common. (Lehtipuu 2010, 31-32.)

5.2 Indian way of communication

In India has got 15 official languages and English is one of them. English is the only one which is universally spoken by the educated and many of the Indians speak excellent English. (World Business Culture [www-pages](#) 2012.)

Indian communicative style is elaborateness and they explain their viewpoints in multiple ways. Sensitive context support this fact and that is why all possible contingencies must be outlined and their implications clearly delineated. Their communicative style is also very contextual. Mostly employees are very deferential towards their bosses and that is why they do not start conversation with them which is not palatable for the boss. (Kumar & Sethi 2005, 108.)

Because the Indian communicative style is indirect in nature, they do not often like to say directly *no* because they fear that other part might offended. Usually when Indians mean *no*, they behave vagueness without commitment. Acting like that and saying *we will try* or *yes* usually means *no*. Problem is that they say what they think listener wants to hear, not the grim facts. Still it is important that listener does not force Indians to be more direct than they feel comfortable, because it might frighten them away. (Kumar & Sethi 2005, 108; World Business Culture [www-pages](#) 2012.)

What can Western managers do to enhance their effectiveness in communicating with the Indians? There is no magical solution for that but there are few concrete steps that Western can take to enhance his/her effectiveness:

Better awareness about Indian communicative style. This is truism but still important. If Western managers do not respect the way the Indians communicate, they may find themselves of all kind of difficulties and may lose their motivation to work effectively. If managers have realistic expectations, they may learn to recognize, for example, that the unwillingness on part of the Indians say *no* does not directly mean that the Indian is in totally agreement with them. So, heightened sense of awareness can minimize misunderstandings and miscommunications. (Kumar & Sethi 2005, 111- 112.)

Better equipped to deal with negative emotions. Often negative emotions are part of intercultural interactions. These emotions are a product of conflicting expectations. Heightened awareness of another culture helps, but it does not solve the problem because of two reasons. First, the expectations of Western managers are not going to change in one night. Second, even if managers prepared well to work with Indians, they cannot fully grasp that culture. Good ways to manage with negative emotions are firstly to understand that s/he is not there alone. There may be other Western expatriates who may feel the same emotions. Secondly they must learn to express the feelings in a right way. Emotions, like anger, may damage the relationships when expressing anger openly. It does not mean that expatriate should not express his or her concern of any issues. These concerns just have to express in a culturally sensitive way. Thirdly, the Western expatriates could try to reframe the situation. They could to look for the positive in an admittedly negative situation. (Kumar & Sethi 2005, 112-113.)

Creating the Perception of a Positive toward India. A positive attitude toward India is important when working with Indians. India has been British colony until 1947, and that is why they have a certain degree of suspicion toward the foreign investors. Good way to show that expatriates intentions are kindly, is to take a positive view of, and toward, India. (Kumar & Sethi 2005, 113.)

Avoiding Ideological Debates. The Indian way of thinking is both nationalistic and idealistic, and while the last mentioned might change as India integrates itself in the world economy, nationalism is unlikely going to disappear. As against that the Western way of thinking is more pragmatic. That is why it is easy to descend into disturbance with the Indians. (Kumar & Sethi 2005, 113.)

5.3 Nonverbal communication

People communicate with each other using more than words. It is believed that 80-90% of all information is transmitted without words. This is called nonverbal communication and it includes facial expressions, hand gestures, intonation, eye contact, body positioning and body posture. People who come from other cultures may find

the nonverbal communication difficult to understand. This could lead misunderstandings and be a barrier for effective communication between member of a society and foreigner. Managers working in abroad should pay attention to four elements of non-verbal behavior: distance, touching, eye contact and body movement. (Griffin & Pustay 2005,93; Kumar & Sethi 2005, 110.)

One example of distance and touching is when some American man, who worked at that moment in India, was going to lunch with an Indian business partner and an Indian held his hand, which made American feel uncomfortable. In India this is a sign of friendship but, in America and in Europe, it means sexual interest. (Kumar & Sethi 2005, 110.)

The distance among individuals is dependent on their status. Normally, this distance increases when individual is talking with his or her superior or when someone is relating to someone who comes from lower level of hierarchy. Past years Indians preferred to maintain eye contact only with a person of equal status but this is nowadays history. (Kumar & Sethi 2005, 110.)

Nonverbal communication is unconscious and that is why it is not easy to control. That reason it is said that American and European managers have to pay attention to it, for otherwise they might give a message, which they did not mean. This can lead for example to an unsuccessful negotiation. (Kumar & Sethi 2005, 111.)

5.4 Edward T. Hall theory

Edward T Hall has researched intercultural relations and studied nonverbal communication. Best known for his works in intercultural relations and communications, he consulted with businesses and government agencies. (Edward T Hall www-pages 2012.)

Speed of messages, context, space, time and information flow are all involved in the communication both in national and international businesses. All the organizations have to communicate somehow. Some organizations send strong, consistent messag-

es which are clear employers and customers to understand. There are also organizations whose communicating is unclear or their messages are incongruent. Usually this type of communicating is so imbedded that it is hard to change when are changed a country and culture. These next items could be also barriers for effective cross-cultural communication. (Hall& Hall 1990, 29.)

5.4.1 Fast and slow messages

A speed of the message is one important characteristic in human communication. There are slow and fast messages. Most of the people does not know that there are different speeds of messages and that causes problems. For example if someone sent a fast message to people who are geared to a slow format, the sender will usually miss the target. Almost everything in life can be placed somewhere along the fast or slow message- speed spectrum. Things like headlines, cartoons, manners and propaganda are fast messages. Language is very slow message. It has taken 4000 years that people have discovered what language is all about. Also culture is slow, because it incorporates many styles of languages that release messages only to those who spend a lot of time to understand them. (Hall& Hall 1990, 4-5.)

In essence a person is a slow message too, because it takes time to get to know someone well. Of course this varies in different cultures. To European people relationships and friendships are highly valued and it takes a long time to solidify. (Hall& Hall 1990, 5.)

5.4.2 High and low context

The information that surrounds the event is called context. The context influences on the interpretation of the information. Context varies in different cultures and different cultures can be compared on a scale from slow to high context. In a high context communication or message most of the information is already in the person and only little is in the coded, explicit, transmitted part of the message. In a low context communication most of the information is vested in the explicit code. Scandinavian people belong to the low- context people. They compartmentalize their relationships,

their work and many aspects of day-to-day life. When they are interacting with others they need detailed background information of them. (Hall& Hall 1990, 6-7.)

Peoples who have extensive information networks among family, friends, colleagues and clients and who are involved in close personal relationships, are high- context. High- context people, like Indians, can feel irritated when low-context people give them information they do not need. On the other hand low-context people are at loss when high- context people do not give them enough information. It is challenging to find a appropriate level of contexting which is needed in each situation. Usually people make these adjustments automatically when they are communicating in their own culture but in other countries their message can miss the target if they do not take notice of that. (Hall& Hall 1990, 9.)

When doing business with people from high-context cultures should know that they want all the possible information about the enterprises. They keep asking until they get the information they want. (Hall& Hall 1990, 10.)

5.4.3 Space

Every living thing has its visible physical boundary but also invisible boundaries that are difficult to define. These invisible boundaries begin with the individual's personal space and terminate his or her "territory". The size of each person's personal space depends on many things like the relationship to the people nearby, the person's emotional state, cultural background and the activity being performed. In northern Europe these personal spaces are quite large and people keep their distance. There it is not common that one touch others. Even brushing the overcoat is uncomfortable in their mind. Like I already have told in the earlier chapter, for Indians it is common to touch people. Also holding on to others hand is normal for them. (Hall& Hall 1990, 10-11.)

5.4.4 Time

There are two important time systems in international business: monochronic and polychronic time. Monochronic time means that people pay attention to the thing they are doing and do only one thing at a time while polychronic time means that people do many things at the same time. (Hall& Hall 1990, 13.)

In monochronic cultures time is really important and it is scheduled and compartmentalized that it would be possible to do only one thing at a time. On those cultures time is like money, it could be "saved", "wasted" and "lost" and it is common to hear people saying "I do not have time to see him". They really concentrate on the job and commit themselves to deadlines and schedules. They follow the plans and do not disturb others allowing privacy for them. (Hall& Hall 1990, 13-15.)

For people from polychronic cultures it is much more important to maintain relationships than to hold to schedules. Unlike the previous they commit themselves to people and human relationships. They are more concerned to those who are closely like a family, friends and business partners without needing so much privacy than people from monochronic culture. They can do many things at once and change plans often and easily. (Hall& Hall 1990, 14-15.)

Finland is definitely a monochronic culture. They want to do everything well and concentrate to that and they do it alone. In Finland it is common to schedule the day and follow that, otherwise everything collapse. There has no time to talk a friend on a market if the appointment is not agreed.

Versus on Finnish culture, India is absolutely a polychronic culture. They have always time to see and talk to people, even though they would not be friends. It is also well-known that Indians can change their plan quickly often. If there is appointment agreed with Indian, it should be take account of that s/he might not come or not come on time.

5.4.5 Information flow

Information flow means how long time it takes a message to move from one part of an organization to other part and how long time to get the response to that message. It is said that cultural differences in information flow are often the biggest stumbling blocks to international understanding. Every business people who works with international business should know how the information moves in each cultures. (Hall& Hall 1990, 22.)

In low-context countries, like Finland, information is highly focused, compartmentalized and controlled. Information flows slowly because it is associated with both low-context and monochronic time resulting from the compartmentalization associated with low-context institutions and of doing one thing at a time. One reason why the information moves so slowly is that people works alone in own rooms and first the information goes to secretaries which slows down messages travel. (Hall& Hall 1990, 22-24.)

In India information moves fast because it belongs to high-context cultures. In those cultures interpersonal contacts are in priority, where ever people are in touch with each other the information flows freely. They do not lock themselves behind closed doors or secretaries but the people work together and change their information rapidly. In some cultures even the boss might share his/her room so that each person knows as much about the operations as possible. Most people are already highly contexted and therefore do not need to get all the time new information, the emphasis is on stored rather than on transmitted information. They do not use much schedules or screening because people stay in constant contact. There are two primary expectations for high- context people: to context everybody in order to open up the information channels and find out if the group can work together and to appraise the chances of coming to an agreement in the future. It is important to stay in touch and to keep up to dates. (Hall& Hall 1990, 23.)

6 TIETO OYJ

6.1 Tieto in general

Tieto has founded in 1968 and its headquarter situates in Helsinki, Finland. Tieto's shares are listed on NASDAQ OMX in Helsinki and Stockholm. They operate in 22 countries with net sales at approximately EUR 1.8 billion. With about 15 000 experts Tieto is a leading service company in North- Europe which offers full life-cycle services for both private and public sectors. The company has global presence through its product development business and the delivery centers. Tieto is committed to develop enterprises and society through IT by realizing new opportunities in customers' business transformation. (Tieto www- pages, 2013.)

Tieto divide on three parts: Managed Services, Consulting and System Integration and Industry Products that are embedded into each Industry offering. With this service structure, they are able to provide full life-cycle IT services. At Tieto, they focus on long-term customer relationships and built their business upon industry knowledge and a deep understanding of their customers' core processes, technology know-how and on their own products embedded to our services. (Tieto www- pages, 2013.)

6.1.1 Tieto Finland

Tieto Finland is the leading provider of IT-services in Finland. The company offers extensive IT-services to many different branches. In 2010 its revenue was about 45% of the whole group's net sales and it employs over 6 000 people. Tieto operates in 16 cities in Finland. (Tieto Intranet www-pages 2012.)

Tieto Finland works close to its customers and has typically long-term relationships with them. Tieto has had a central role in many of projects in many different sectors like banking, telecommunications and public sector, and has gained extensive experience in the development of new business models and in making IT utilization more efficient and user friendly. Tieto runs 24/7 the business critical systems of the

most significant companies and organisations in Finland. (Tieto Intranet www-pages 2012.)

6.1.2 Tieto India

Tieto India started its operations in 2006. Office is located in west-coast in Pune. With about 1 600 employees, Tieto India is one of the key delivery centers of Tieto. Most of all they focus on development of IT solutions and services for Automotive, Energy utilities, Financial services, Forest, Healthcare and welfare, Logistics, Manufacturing, Media, Oil and gas, Public, Telecom and Trade. They build world-class software solutions using Microsoft, Java, Oracle, SAP and Open Source Technologies, giving solutions a mix of intellectual property, best practices and technology expertise. (Tieto www-pages, 2012.)

6.2 Case study

Tieto operates in 22 countries and has multiple locations around the world. It means that the company has got many multi-cultural projects and they communicate across cultures every day. In many cases they do not meet the colleagues face-to-face, but they communicate via Internet. Challenges with communication are common in multi-cultural projects, especially when they are not using their primary language. The company knows that knowing, understanding and respecting other cultures are important things. That makes their work more efficient and fluent, they can better avoid misunderstandings and conflicts and get more experience of working with people from other cultures.

6.3 Research findings

In this chapter I will tell about the answers I got from the interviews. First I will observe Finnish interviewee`s answers. I have interviewed a Finnish person who works as Senior Process Manager in Tieto`s Global Process management team, a person works in enterprise resource planning projects (ERP) as project/program manager

and a person who works as Project Manager. After that I will observe the Indian interviewee's answers. I have interviewed Indians HR-director, Senior Process Manager in Tieto global quality team and Vice President & Country Manager.

6.3.1 Finnish view of their communication with Indians

According all the Finnish interviewees, they have been working with the Indians more than one year. One of the interviewees has been working with the same team at least from the year 2006. They keep connection at least every week. When the project needs close co-operation, they keep contact every day. Usually they communicate with each other by live meeting and office communicator and by phone if it is necessary. Because of the distance between Finland and India, it is rarely possibility to see face to face. (Interview on September 2012 and Project Manager personal communication on 18.5.2013.)

According to Finnish interviewees, Indians are very polite and friendly. Normally they are easy to follow also in case one is familiar to use English language and there is no "rush". On the other hand their English pronunciation can be very challenging, especially when you talk first time with that person. The more than you work and talk with the person, more easily it is. According to one of the interviewee's, Indians like to concentrate on business and less on personal issues. The other interviewee's opinion was totally opposite. She thought that Indians talk much small-talk before going to the business. They also explain the things thoroughly. Indians do not gladly say *no*. Sometimes silence can be understood as *no*. One of the interviewee's thought that Indians say normally *no*, but perhaps not saying *no* but putting words in another way. If there are obstacles to do something, they can say it. Some of the Indians are more straightforward than others. (Interview on September 2012 and Project Manager personal communication on 18.5.2013.)

About the Indians body language the Finnish answers did not have much of saying because they do not work face to face. (Interview on September 2012 and Project Manager personal communication on 18.5.2013.)

Cultural differences have been shown in business communication somehow. According to the Project Manager, Indians are more formal at the first. In the business communication are used titles at the first but when the project moves on, the communication is more free. They have a strong accent and it is first difficult to understand it clearly. Senior Project Manager says that the differences are not shown so much than it could be thought. But he has worked with the Indians so long time, that it might be that he has already got used to it. ERP's Project Manager think that Indians are very competitive. They try to ensure that they succeed, also in personal level. He says that in Finland, employees do not so much think their own success, own career and so on. He continues that Indians accept and commit only actions where they have possibility to succeed. They will not accept and commit impossible missions. And if they face challenges, they not possibly admit those. Silence is the worst signal. Also line manager should be involved into the communication. Indians require that task is very clearly defined, which can be sometimes quite challenging and time consuming.

Cultural differences must take into account. One of the Tieto's Project Manager says that she tries to be more polite and formal. She also says that he tries to put some small-talk to his messages, not just business. Senior Process Manager says that he respect people and other cultures. He adds that he tries to avoid or not to take sides in political, religious or related issues. The other Project Manager says that Indians have to have a local manager involved into the communication and coordination. Second, the processes must be agreed together and strictly followed. Third, active communication is important and he tries to get confirmation for all discussed issues.

I asked from the interviewee's do they try to adapt to the Indian culture or do they try to bring out their own cultural features. One of them says that she keeps her own culture but respect the other culture. The other says that he tries to adapt to Indian culture. Only thing he tries to bring from his own culture is the independence, which means that Indians must take larger responsibility of the whole solution than just implementing one modification/interface. The third answered that if he tries to bring out something from his own culture for Indians, is "be in time in the meetings". (Interview on September 2012 and Project Manager personal communication 18.5.2013.)

The Finns have paid attention to only a few specific details in communication with the Indians. Firstly, they are friendly. Secondly, if they are overwrought or excited it is more difficult to follow speak or a presentation. (Interview on September 2012 and Project Manager personal communication 18.5.2013.)

I wanted to know *What similarities and differences in communication Finns and Indians have.* The Project Manager says that the Finns go straight to the business, but for the Indians it is very important to know the people who they work with. According to the ERP's Project Manager, similarities are that both are quite polite and negative and positive feedback is not given. Differences are that Indians prefer more direct commands, Finns hate if you just command.

One important question was *What are the barriers to cross-cultural communication.* One answered that "Language can be a barrier even at the same time it is a connective. It is needed to focus more how to communicate, ensure the people have understood – especially in case the question is about the special topics with special terminology etc.. This is of course quite normal even between Finnish audiences but the language is one issue to take account." The other answered that there is no barriers. Of course everyone should understand that always utilizing Indians is not the most cost-effective way to work. According to the third answer, it can be a barrier that English is not their mother language. There are more misunderstandings and the message might become distorted. (Interview on September 2012 and Project Manager personal communication 18.5.2013.)

The second important question was *How could communication be developed in the future.* One way is to improve one's language skills. Good base to the communication is to respect people, be open mind, polite and diplomatic. The third answered " I think in Tieto it has been developed already quite much. Of course understanding of other cultures would make communication and co-operation easier." (Interview on September 2012 and personal communication 18.5.2013.)

6.3.2 Indians view of their communication with Finns

I interviewed three Indians who work at Tieto. Two of them have been working with the Finns 4-6 years and the third one over a year. They all are normally daily in contact with the Finns via emails, live meetings, telephones and sometimes face to face. (Interview on September 2012.)

According to the Vice President, the Finns are "Straight, sometimes autocratic, not always friendly outside their geography (local language)". The Senior Process Manager says that the Finns have very open communication and they are generally quite frank in expressing their ideas. He moves on that the Finns are punctual and process oriented. Third opinion is that the Finns go straight to the point, are honest, modest and frank.

About Finnish body language they did not have anything to mention. Maybe this is because Finnish body language is quite limited and not easy to read according my studies. (Interview on September 2012.)

According to India's Vice President Indians feel comfortable with fuzzy, flexible and elaborate communication. He continues that Finns are comfortable with straight and precise communication. Senior Process Manager says that Finnish are also family-centred like them, so it is easy to talk about families with the Finns. About cultural differences, according to Director of HR, Indians are quite open ended on deadlines and Finns follow strictly the schedule.

Cultural differences are very well accepted, as India is more orthodox country when considering on western values. Other answer to a question *How do you take cultural differences into account* was "Face to face meetings, class room sessions on cultural diversity, learning from by sharing experiences and focus on attitude than just competence ". " Within HR, there is a better awareness and sensitivity towards cultural differences, so it becomes easier. While working with others, if I sense issues coming up because of cultural differences, I surface this and try to bring about awareness on both sides regarding this. We have done some awareness sessions around this topic pro-actively as well." (Interview on September 2012.)

When asking what specific details in communication Finns have, Vice President answer that their presentations are short, precise and decision oriented. According to Sr. Process Manager, Finns are quite punctual and respect schedules. Director of HR says that Finnish communication is clarity and stays to the point and schedules.

Because working in Nordic based company, one of the interviewee`s says that they try to adapt Finnish culture but also share their own culture as well. One answer that because it is global organization they have to adapt global culture to serve global customers. Third one says that she does not try to adapt Finnish culture or try to bring out her own cultural features. She continues that she try to understand both cultures and be aware of the underlying backgrounds. (Interview on September 2012.)

Next I asked similarities and differences on Finns and Indians communication. Time comes out again also in these answers. Most of the Indians do not follow the schedules so strictly than Finns. Indians are more talkative than Finns. Personal values and freedom are important for Finns and they trust on their friends and colleagues. Similarity is that English is second language for both. Differences are that Indians use more gestures, specially nodding the head. Also they are less direct, more respectful specially the hierarchy point of view. They also don`t say “no” very easily. (Interview on September 2012.)

Like it has already came out Finnish concept of time is punctual and they respect both their own and others time. Indians are flexible and their schedules are open ended. (Interview on September 2012.)

Barriers of cross-cultural communication are according of Vice President, are insecurity and distrust and low degree of commitment. Sr. Process Manager says that the biggest barrier is long distance, but via new technology, it should not be a problem. He continues that unawareness of Finnish history is one barrier. According to HR director lack of awareness and lack of sensitivity are barriers. No pro-active efforts to work through a common midpoint, but sides work according to their own way and expect the other side to confirm.

The last question concerned on how communication could be developed in the future. One answer was that striving for each other's success, imparting trust, global views and objectives and shared goals. The other answer that meeting on personal level might be a good way to get to know each other and more interactions with students from both countries might be helpful. The third one says that formal awareness sessions (can be subscriptions to sites like globesmart), cultural ambassadors (our project team is focussing on this and the next point), sharing best practices and learnings, creating ways of working to overcome the typical challenges. (Interview on September 2012.)

6.4 Analyse of the research findings

My first research question was: *Are there similarities or differences between Finnish and Indian style to communicate?* The answer is yes. Maybe the biggest difference between Indians and Finns is that Indians do not base on strict time schedules but their schedules are open-ended. Because the Finns are so punctual and respect time schedules that can cause irritation to their co-operation. Other difference is that Indians like to speak small-talk, specially about their families. It was quite surprising that one of the interviewee's said that Indians like to concentrate on business and less on personal issues. According the theories that researched in this thesis, for Indians it is extremely important to know his or her business partner before, also in personal level. Asking about families, they find out are the partners reliable. There was also interviewee whose answer was totally opposite and supported my studies. She thought that Indians speak lots of small-talk and explain everything thoroughly. According to my studies and the interview, the Finns are woman/man of action. They do not chat much and want to talk turkey. Right after handshaking they go to the business. With the Indians they should have to pay attention more to small-talk.

There are also similarities between those countries communication. Both of them have very polite communication style. Maybe that is why negative feedback is not given, they do not want to be impolite. One reason why Indians do not give negative feedback is their culture. For them it is difficult to handle it, only positive feedback is wanted to hear. One similarity is that English is not a mother language both of them.

That can also cause problems because they have to be sure that they understand each other. Although English is very used language in India, their pronunciation is very fast and there is a strong accent. If they are overwrought or excited it is more difficult to follow to the talk or the presentation. At the beginning this might sound inarticulate but more than you work with Indians the better you understand them.

My second research question was: *How cultural differences affect business communication?* Indians are first very formal and they use titles. When the project goes on, their communication is more free. They do not gladly say no. With them silence is the worst signal and usually it means no. According to Kumar & Sethi, the communication style in India is indirect. That is a reason why they do not gladly say *no*. The problem is that they say what they think that listener wants to hear. When they mean *no*, they behave vagueness without commitment. There was also an opinion that the cultural differences are not so remarkable than it could be thought. He has got many years experiences with them which can also be a reason for his opinion. Although the cultural differences would not be so significant, they must be taken into account when doing with Indians. The Finns try to be more formal and polite and speak some small-talk too. Respecting people and other cultures is also important. It is not recommended to speak about politics or religious.

The third research question was: *Have Finnish and Indian employees in Tieto had difficulties or easiness when they have communicated with each other?* One cultural difference which has caused problems is that Indians need really close supervision and lots of instructions. According to Hofstede's dimensions, this is normally for countries where is a high Power distance. In those countries it is expected that to subordinates are told exactly what they have to do. It cause problems when a Finnish Process Manager gives tasks for everyone in his or her team where can also be Indians. Finland is a country where is a low Power distance. They do not need so much close supervision, Process Manager just gives the goals and each members roles and then moves to background. The Finnish team leader should remember to give very clear instructions for Indians and watch that they know really what they are expected to do.

The fourth question was: *How Finnish and Indian employees communicate with each other in Tieto?* People from Finland and India are daily in contact with each other. The most important communication channels are email and Live Meetings. Via Live Meeting it is possibility to show Power Point- presentations and other presentations too. There are participated from the link which are sent to everyone`s email. In the company the table phones have replaced with this program and there is also possibility to use a Chat.

The last question was: *What could help employees to communicate even better in the future?* In the future, there could be some immersion course to improve everyone`s language skills and help them to communicate even better. These lectures could also include special information about the cultures, that would help people to understand other cultures and co-operation would be easier. Meeting on the personal level and getting to know each other might also help to communicate better on business level. Someone suggested that there should be more interaction with students from both countries.

7 CONCLUSIONS

Finland and India are two different countries. Finland is a small technology- oriented country where time is money. There anyone can achieve a good place in a working life and high education. Life is very scheduled and they respect their own and others schedules. Although they are very job-oriented, they respect their free time and life`s quality. In a business life the Finns are well qualified and well educated and experts in their field. They enjoy to do work alone but the support of team members is expected. The team makes usually decisions together but the boss still says the final word. Everyone has the right to say own opinion. Finland is a short-term oriented culture which means that they make quick decisions.

India is an opposite country than Finland. It is big country and they are said to have their own Indian Stretchable Time because their schedules are open-ended. Work or

meetings promised at specific times and dates just not usually come true. Their biggest religion, Hinduism, has an effect on their linear concept of time. This is just a cultural difference that has to be accepted when doing business with them. Another thing that should be remembered is their family-oriented culture. Indians feel strong loyalty against their family and relatives. Parents are ready for big financial sacrifices on children's behalf. Parents expect that children take care of them when they are old. Families are also the most important informant and that should be remembered.

According to interviews, Indians are polite and friendly communicators. Although English is much used language in India, their accent is very strong and sometimes difficult to follow. According to the studied theories and the interviews they tell about their families and ask partners families too. Opposite of Indians, Finns do not concentrate to tell about their families, although they are also family-centered, but like to go straight to the business. According to the interviews, Finns are comfortable with straight and precise communication.

According to studied theories and my own interviews, Indians do not gladly say no. Silence is the worst signal which means *no*. Reason for this is their indirect communication style. They say what they think that listener wants to hear. According to one interviewee's Indians say normally *no*, but not saying *no* but putting words in another way. According to him if there are obstacles to do something they can say it. But he continues that some of the Indians are more straightforward than others. Although Indians do not gladly say *no* it is important that listener does not force Indians to be more direct than they feel comfortable, because it might frighten them away.

Indians Masculinity and Finnish Femininity cause also problems on business. According to Hofstede, in Masculinity countries money and success are important. According to interview, Indians try to ensure that they succeed, also in personal level. Indians will accept only tasks where they have possibility to succeed. Compared to feminine Finland where persons do not only think about their own career and success, this is also one which can cause problems for the business. People in Finland are also job-oriented but they respect their free time and life's quality too.

Barriers for good cross-cultural communication are unawareness of Finnish history, lack of awareness, lack of sensitivity and English language. When communicating in English, people have to focus more how to communicate, ensure the people have understood, especially in case the question is about the special topics with special terminology. According my studies *better awareness about Indian communicative style* is important. The Finns have to respect the way the Indians communicate, otherwise they may find themselves of all kind of difficulties and may lose their motivation to work effectively. If they have realistic expectations, they may learn to recognize, for example, that the unwillingness on part of the Indians say *no* does not directly mean that the Indian is in totally agreement with them. So, heightened sense of awareness can minimize misunderstandings and miscommunications.

Although these countries are so different, there seems to be no so big problems doing business with them according my studies and the interviews. I think that the biggest problems are the different concept of time and getting to know each other. The Finns should remember to allow enough time with the Indians and just stand the situation where the meetings are postponed at least a day. The Indians should remember that it is not common for the Finns to speak small- talks or about their families. They are not rude, it is just a part of their culture.

In the future, there could be some immersion course to improve everyone`s language skills including special information about the cultures, that would help people to understand other cultures and co-operation would be easier. Talking about personal life would break the language barrier and employee`s co-operation would not be so stiff on business level. But open mind, respecting cultures and being polite are things that every-one could do when communicating people from other cultures.

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APPENDIX 1

Questions for Tieto employees in Finland:

1. Who are you and what is your title in Tieto? What are your main responsibilities and tasks?
2. For what reason have you had contacts with the Indians?
3. How long have you been working with Indians?
4. How often are you in contact with the Indians?
5. How do you keep connection with Indians?
6. What kind of communicators are the Indians?
7. How they say *no*?
8. Do you pay attention to body language?
9. How cultural differences have shown in business communication?
10. How do you take cultural differences into account with the Indians?
11. Are you trying to adapt to the Indian business culture or are you trying to bring out your own cultural features?
12. Have you paid attention to some specific details in communication?
13. What similarities and differences in communication Finns and Indians have?
14. Have there been any barriers in your communication with Indians?
15. How could communication with Finns and Indians be developed in the future?

APPENDIX 2

Questions for Tieto employees in India:

1. Who are you and what is your title in Tieto? What are your main responsibilities and tasks?
2. For what reason you have contacts with the Finns in Tieto?
3. How long have you been working with Finns?
4. How often are you in contact with the Finns?
5. How you keep connection with Finns?
6. What kind of communicators are the Finns?
7. Have you paid attention to Finnish body language?
8. How cultural differences have shown in business communication?
9. How do you take cultural differences into account?
10. Have you paid attention to some specific details in communication with the Finns?
11. Are you trying to adapt to the Finnish business culture or are you trying to bring out your own cultural features?
12. What similarities and differences in communication Finns and Indians have?
13. What kind of is Finnish conception of time?
14. Have there been any barriers in your communication with the Finns?
15. How could communication with Finns and Indians be developed in the future?