

Doing Business in Cyprus | Cypriot Social and Business Culture

A Cypriot Culture Overview

Fact file

- **Official Name** – Republic of Cyprus
- **Population** – 1,084,748 (July 2009 est.)*
- **Official Languages** – Greek, Turkish, English
- **Currency** – Euro (EUR)
- **Capital City** – Nicosia
- **GDP** – purchasing power parity \$22.85 billion *
- **GDP Per Capita** – purchasing power parity \$21,200 *



A Cypriot Overview

Located in the Mediterranean Sea, Cyprus has undergone several occupations in its history resulting in a variety of cultural influences from both Europe and the Middle East. Its population is divided between Greek Cypriots and Turkish Cypriots who proclaimed themselves as the "Turkish Republic of Northern Cyprus" ("TRNC") in 1983. This ethnic division can be observed not only through geographical division but also through the different languages and religious beliefs of Cypriot citizens. An understanding of this complex culture is crucial to ensure successful business relations with Cypriot counterparts.

Cypriot Culture – Key Concepts and Values

Family – The family is at the core of the Cypriot society. Unlike the Western concept of family that centres around parents and their children, the family in Cyprus includes grandparents and other relatives. There is a high degree of respect towards the elderly who are usually looked after by their children after a certain age.

Religion – Cyprus is home to two main religions but allows for other religious practices within the country. A great majority of Greek Cypriots are Greek Orthodox while Islam predominates among the Turkish Cypriot community. The impact each religion has on Cypriot business culture varies and needs to be considered when working in Cyprus.

Hierarchy – Respect of age and status are key components of the everyday life in Cyprus. As in the family, older people should be respected for their wisdom and experience in companies. Consequently, these people will always be the first ones to be introduced in a meeting or at a dinner.

Doing Business in Cyprus

Cyprus has benefited from a strong and constant economic growth over the last few years. The country's market economy is centered on the service sector which employs more than 70%* of the population. Tourism is another pillar of Cypriot business activity, followed by industry and agriculture. The cultural division in Cyprus impacts the economic situation on each side of the Green-Line that separates the Turkish from Greek Cypriots. Raising awareness on the way Cypriot culture impacts on business is essential for a successful experience in Cyprus.

Cypriot Business Part 1 - Working in Cyprus

- **Working practices in Cyprus**
 - The fact that Cypriot counterparts might be likely to keep you waiting should not be a reason for you not to be punctual. As a sign of respect, you should arrive on time on to meetings and other occasions.
 - A handshake is the common way of greeting in Cyprus. Eye contact is also valued when conversing with Cypriots colleagues.
 - Meetings should be organised in advance and are usually confirmed verbally even if scheduled through written communication.
 - Decisions might not be made during meetings. This is because meetings are often used as a way for employees and counterparts to reflect and exchange ideas.
- **Structure and hierarchy in Cypriot companies**
 - Business structures in Cypriot companies tend to be very hierarchical. People in senior positions and older counterparts should be shown a high level of respect.
 - Individuals in a senior role will tend to express their ideas the most during meeting and negotiations. As a foreigner, it's always good to know the roles of each individual so you can anticipate who will participate the most and make decisions.
 - Professional achievements are not as valued in Cypriot companies as they are in Western countries. Having an important network of relations will be more beneficial in Cypriot business endeavours than your professional skills.
 - Cypriot women are treated relatively equal to men and receive little discrimination. Women working in the Islamic part of Cyprus might feel they are treated differently because of the Muslim values and attitudes towards women.
- **Working relationships in Cyprus**
 - Cypriot culture is very relationship-focused so building strong and long-term relationships is very important when doing business in Cyprus. Personal networks are prerequisites for successful business deals. The establishment of trust, loyalty and strong bonds will undoubtedly facilitate business operations.
 - The way you address your Cypriot counterparts will differ depending on their age and their status within the company. While respect and deference should be shown on a vertical level, a more informal approach can be used among business partners who have a similar position. Although sometimes informal, you should always wait to be invited to use first names before doing so.
 - Socialising is very important in Cypriot business culture and often occurs over lunch or at events outside of the office. Socialising with your Cypriot counterparts will build trust, show them your interest and help you build long-term business relationships.

Cypriot Business Part 2 - Doing Business in Cyprus

○ Business practices

- Greek Cypriots use Greek as their official language while Turkish Cypriots use Turkish. Many business people have a very good knowledge of English but some language skills are an advantage in each part of the country as this will show your interest in building trust and relationships with Cypriot counterparts.
- The use of written communication is quite formal. Printed documents will often need to be signed as a sign of personal approval.
- Personal contact is essential when doing business with Cypriots. Try to avoid conversations via the phone or email since Cypriots prefer to conduct business face-to-face.
- Business in Cyprus is conducted quite slowly as a result of the importance placed on the developing personal relationships. Being patient and including extra time in your schedule can help business relationships.
- Cypriots tend to put a strong emphasis on the concept of trust in business relations. It is important to avoid loss of face, particularly in public, as this can hurt your relationship.
- It is important to remember the impact of religion on the professional environment, especially when working with Turkish Cypriots. One important holiday to remember is Ramadan, where your Muslim counterparts will fast. As a foreigner, you should avoid eating, drinking and smoking in public as a sign of respect.

○ Business Etiquette (Do's and Don'ts)

- ✓ DO be prepared to negotiate and to make concessions as Cypriots are talented negotiators.
- ✓ DO wear conservative business suits and/or dresses as a woman.
- ✓ DO use every opportunity to socialise with your Cypriot counterparts. Personal relationships with colleagues are highly valued in Cyprus.
- ✓ DO avoid controversial conversation topics such as the cultural division of Cyprus.
- ✗ DON'T be surprised by the Cypriot tendency to give presents to their hosts when invited to a social occasion.
- ✗ DON'T criticise your Cypriot counterparts in front of other business colleagues, as this may cause a loss of face and harm their sense of honour.
- ✗ DON'T touch or pass dishes using your left hand. The left hand is often considered unclean, particularly by your counterparts who practise Islam.
- ✗ DON'T forget to greet every person individually when arriving and leaving meetings or social events.

Cypriot Culture Quiz – True or False

1. Gift-giving is not a common practice in Cyprus.
2. Table manners are strict in Cyprus.
3. Hierarchical relations only apply to the business environment.
4. Cypriots tend to show their feeling while speaking.
5. Cypriot business people prefer to have conversations via the phone and email as opposed to face-to-face.

Cypriot Culture Quiz - Answers

1. False. It is expected bring a little gift such as sweets or pastries when invited to a Cypriot house.
2. True. Seating without having been invited, not finishing what is on your plate and not helping out with serving and clearing up are seen as rude behaviours in Cyprus.
3. False. People having a higher rank and elderly will be treated with great deal of respect in any context.
4. False. Cypriots have a strong sense of honour and will therefore not show many emotions in public.
5. False. Personal contact is highly valued in Cyprus.

* Source: CIA World Factbook 2010

Author: Elodie Caucigh, MA Intercultural Communication

Contact Details

Communicaid
Mitre House
12-14 Mitre Street
London
EC3A 5BU
United Kingdom

Tel: +44 (0)20 3370 8580

Fax: +44 (0)20 3370 8501

E: info@communicaid.com

W: www.communicaid.com