

Doing Business in Norway | Norwegian Social and Business Culture

A Norwegian Culture Overview

Official Name – Kingdom of Norway

Population – 4,660,539 (July 2009 est.)

Official Languages – Bokmal and Nynorsk Norwegian, Sami and Finnish

Currency – Norwegian Krone

Capital city – Oslo

GDP – \$273.1 billion (2009 est.)

GDP per capita – \$58,600 (2009 est.)



Overview

One of the four Scandinavian countries, Norway is located in Northern Europe and borders the Norwegian and the North Sea. After the referendum granting independence from Sweden, Norway decided to remain a neutral country throughout the beginning of the 20th Century. In 1949 Norway changed its neutrality approach and became a member of NATO. Norway is famous for its magnificent landscapes and Fjords. It is also renowned for its health system, education and high standards of technology and quality of life. The discovery of large oil and gas fields in the North Sea gave a dramatic boost to the country's economy and helped to create an extensive welfare system. Successfully doing business in Norway requires a comprehensive awareness of specific cultural aspects that need to be understood in order to do successful business.

Key Concepts

Equality - Norwegians consider equality as a key value. There is no discrimination between men and women for instance and both genders expect to be treated in the same way. The same goes for ethnic minorities. The best illustration of this value in practice is the high number of women and members of ethnic minorities involved in politics or occupying key positions in companies.

Caring Society – In Norway, people look after each other in every aspect of life. The best illustration of this value is the protective welfare system put in place in the 1960s. This system guarantees full health cover for every Norwegian citizen and is prized by the Norwegians.

Honesty - Honesty is valued above all in Norway. When doing business in Norway you will always be expected to tell the truth and never hide or retain information. You can expect your Norwegian counterparts to be honest as well and not make any attempts to deceive you in professional and personal situations.

Doing Business in Norway

Even if they are small in number, the Norwegians are among the wealthiest people in the world with a GDP per capita of \$58,600 (2009). The Norwegian market offers fantastic opportunities for goods and services retailers or manufacturers in particular as well as other business endeavours. Several sectors of the Norwegian economy are extremely well developed such as the extraction of natural resources like oil, gas, wood and minerals.

Telecommunications, information technologies and services are also strong sectors in Norway that might attract foreign investment. Although the GDP growth was negative in 2009, Norway remains a strong market for foreign investments. Benefiting from this attractive economy requires an understanding of Norwegian business culture and working practices.

Norway Business Part 1 - Working in Norway (Pre-departure)

Working practices in Norway

- Meetings are scheduled in advance and need to be carefully prepared.
- Punctuality is extremely important in Norway. Make sure you give notice to your Norwegian counterpart if you are running late.
- The typical working day is 8:00am to 4:00pm, but some companies can be quite flexible regarding their working hours.
- Knowing a few words of Norwegian can help you to break the ice and show your Norwegian hosts your interest in their culture which will help you build stronger relationships with your Norwegian counterparts.
- **Structure and hierarchy in Norwegian companies**
 - The hierarchy within Norwegian companies tends to be fairly flat. In other words, there are usually only a few different levels of job role within Norwegian companies.
 - When there is a decision to make, Norwegians will make it only after reaching a consensus with every member of the group. There is almost never an imposed decision by the chairman or the team leader.
- **Working relationships in Norway**
 - Norwegians do not hesitate to use the first name of their counterpart during interactions. You will be expected to do the same when doing business in Norway.
 - Professionally, Norwegians will be informal and easy going but will expect their foreign counterpart to maintain professional behaviour.
 - Using titles is acceptable during formal events, but in other cases it is more likely to create a feeling of uneasiness.
 - Maintaining eye contact when speaking to your Norwegian counterparts will help you build trust and a solid relationship with them.

Norwegian Business Part 2 - Doing Business in Norway

- **Business practices**
 - Norwegians do not tend to speak loudly. They are also comfortable with silence which they see as a way to analyse and think about what has just been said. Avoid trying to fill these moments of silence as this can be considered as rude.

- Meetings and interviews should be scheduled in advance and their duration must be respected. Make sure you come prepared and bring as much information as possible to share with your Norwegian counterparts.

Norwegian business etiquette (Do's and Don'ts)

- ✓ DO be frank and straightforward when doing business in Norway as your Norwegian counterparts will appreciate this.
- ✓ DO accept dinner invitations. They are rare and should be considered as an honour.
- ✓ DO compliment your Norwegian counterparts about their country.
- ✗ DON'T brag or exaggerate when speaking with your Norwegian counterparts as this will only hurt your relationship and goals.
- ✗ DON'T offer expensive presents as this could be seen as a bribe
- ✗ DON'T complain about the high cost of living. Norwegians are proud of their welfare state system even if it comes with a price.

Norwegian Culture Quiz – true or false

1. Norwegians love to talk about their work and how much money they earn.
2. There is a love/hate relationship between Swedes and Norwegians.
3. There are more women in management positions than men in Norway.
4. The Vikings were the first to discover America, 500 years before Christopher Columbus.
5. Norwegians' body language is explicit and can be easily understood.

Norwegian Culture Quiz – Answers

1. False. Jobs and money are subjects you should avoid with your Norwegian counterparts.
2. True. It is best to avoid criticising Swedes or comparing Norway and Sweden as it could offend your Norwegian host.
3. True. This is the best example of the equality that exists between genders in Norway.
4. True. This is a real source of national pride in Norway.
5. False. Body language in Norway is subtle and sometimes difficult to interpret.

* Source: CIA World Factbook 2009

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