

Doing Business in Singapore | Singapore Social and Business Culture

A Singapore Culture Overview

Fact file

- **Official name** – Republic of Singapore
- **Population** – 4,657,542*
- **Official Languages** – English, Mandarin, Malay, Tamil
- **Currency** – Singapore dollar (SGD)
- **Capital city** – Singapore
- **GDP** – purchasing power parity \$240 billion*
- **GDP Per Capita** – purchasing power parity \$52,000*



A Singapore Overview

Located at the tip of the Malay Peninsula, Singapore comprises one large island and around 50 smaller islands. The 4.5 million Singaporeans are concentrated primarily in the densely populated southern part of the main island. With one of the world's highest standards of living, Singapore is a prosperous, modern and clean country. The diverse population of Singapore, consisting mainly of Chinese, Malay and Indians, does not possess one single dominant national identity. Drawing on a variety of traditions, different ethnic groups all consider themselves important parts of the diverse society of Singapore. Successfully doing business with Singaporeans requires an understanding of the population's different cultural traditions and background.

Singapore Culture – Key Concepts and Values

'Kiasu' – The Singaporean concept of 'kiasu' literally means 'fear of losing' and is often used to describe the social attitude of Singaporean people. The concept refers to Singaporeans' desire to always want to be the best, come first and never lose out. The word is so widely used by Singaporeans that it is incorporated into their English vocabulary. Kiasu has both positive and negative connotations; some say it keeps standards high whereas others claim it leads to a graceless society. The concept of Kiasu reflects the value Singaporeans place on competitiveness and strong work ethics.

Concept of Face – An important value in Singaporean culture is that of saving and maintaining 'face'. To avoid losing face, Singaporeans control their behaviour and emotions in public, do not confront or criticise other people openly and employ an indirect communication style. Losing face has negative consequences on a person's family and other social groups to which the person belongs as well as on individual reputation, credibility and authority.

Diversity – With a diverse population of Chinese, Malay and Indians as well as guest workers, Singapore values the diversity of its people and stresses the importance of accepting differences. Religious and ethnic difference is embraced in Singaporean society and customs and traditions are respected. Despite the separation between some of the groups, Singapore serves as an 'umbrella' culture to which they all feel a sense of belonging.

Doing Business in Singapore

A British colony until 1959, Singapore joined Malaysia in 1963 only to break away and become a fully independent state in 1965. With a modern infrastructure and an economy which surpasses many Western countries, Singapore is the most developed country in Southeast Asia. Singapore's strategic location, its hardworking and educated workforce as well as its stable political situation have helped establish the country as a financial and commercial centre. Often referred to as one of Asia's economic 'tigers', Singapore has its roots as a natural trading port linking the East to the West. With a successful free-market economy, English as its main business language and low levels of corruption, Singapore is considered the easiest place to do business in Asia. To be successful in this thriving multicultural country, one must fully appreciate and understand the many different customs and traditions which impact Singaporean business culture and etiquette.

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

- **Working practices in Singapore**
 - Singapore's business culture is a mix of Chinese, Malay and Indian customs and traditions. It is a good idea to know the cultural background of your business partner before any interactions to understand how they expect things to be done.
 - Punctuality is important so effort should be made to arrive on time.
 - Normal business hours are between 9 a.m. and 5 p.m. with one hour for lunch, Monday to Friday. Some offices will open for a half-day on Saturdays, typically in the morning.
- **Structure and hierarchy in Singapore companies**
 - Status and hierarchy are important in Singaporean business culture where companies have a top-down structure. Decisions are nearly always taken by the senior management and subordinates avoid questioning or criticising their superiors.
 - Senior members of a group are always introduced first. When entering a room, people tend to wait until told where to sit as this is determined by status.
 - Women play an integral part in the professional environment and hold managerial position.
- **Working relationships in Singapore**
 - Influenced by Asian philosophies of creating good rapport before doing business, Singaporeans often consider personal relationships more important than the company you work for.
 - Singaporeans are cautious and like to make sure they are doing business with the right person. As a result, it is necessary to establish a good and genuine relationship with your Singaporean counterpart to demonstrate your capabilities and good character.

Singapore Business Part 2 - Doing Business in Singapore

○ Business practices

- As each ethnic group has a different way of using names, it is advisable to ask a Singaporean what he/she would like to be called. When meeting a person for the first time, it is wise to use the appropriate title and last name until told differently.
- A light handshake is the common form of greeting in business situations.
- Normal business attire consists of dark trousers, long-sleeved shirts and ties for men, and blouses, skirts or trousers for women. Due to the hot and humid weather, jackets are not usually required. Although Singapore is a liberal country, women should make sure they do not wear clothes that are too revealing.
- In business discussions, Singaporeans tend to be calm and composed and do not openly show their emotions. Speaking too loudly is considered rude.
- Negotiations are often conducted at a slow pace and Singaporeans are likely to bargain hard.

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

- ✓ DO make sure you carefully inspect business cards from your Singaporean counterparts before putting them away.
- ✓ DO speak in a quiet and gentle tone with your Singaporean counterparts.
- ✓ DO be careful giving gifts, especially to government employees as this may be considered bribery which is prohibited by strict laws in Singapore.
- ✗ DON'T take 'yes' from your Singaporean counterparts literally. Singaporeans will rarely answer a question with a blunt 'no'. 'Yes' can mean maybe and even 'no'.
- ✗ DON'T make intense eye contact with a senior or older person as this will be seen as a sign of disrespect.
- ✗ DON'T be impatient in business negotiations as this will be seen as a weakness by your Singaporean counterparts.

Singapore Culture Quiz – True or False

1. It is considered polite among Singaporean Chinese to always offer both the positive and negative possibilities when asking a question, e.g. 'Do you want to go to dinner or not?'
2. Showing public affection between people of the opposite sex is acceptable.
3. Singapore has its own brand of English known as 'Singlish' which differs from English in terms of sentence structure, grammar as well as the frequent use of words like 'lah', 'leh', and 'meh'.
4. Singaporeans love food and this will be a common topic of conversation.
5. Singaporeans do not normally wait in an organised queue and will try to get in front of people already waiting.

Singapore Culture Quiz - Answers

1. True.
2. False. Hugging and kissing in public is seen as unacceptable behaviour.
3. True.
4. True.
5. False. Singaporeans are accustomed to queuing up for everything and people will be offended if you jump the queue.

* Source: CIA World Factbook 2007

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