

Doing Business in Sweden | Swedish Social and Business Culture

A Swedish Culture Overview

Official Name – Kingdom of Sweden

Population – 9,059,651 (July 2006 est.)

Official Language - Swedish

Currency – Swedish Krona (SEK)

Capital city - Stockholm

GDP - purchasing power parity - \$348.6 billion (2006 est)*

GDP per capita - \$38,500 (2006 est)*

Overview

Located in the centre of Scandinavia in Northern Europe, Sweden has one of the highest standards of living in the world. With a vast majority of its population living in urban centres, Sweden enjoys a very low population density outside of the major cities. Sweden's recent history of neutrality has made it a popular location for immigrants while the northern part is still home to a minority of indigenous Sami people. Sweden is a forward thinking country where people have very egalitarian notions of society. Understanding Swedish society and culture is essential to successfully do business in Sweden.



Key Concepts

Directness – Swedes are known for their open but direct style of communication. Swedes tend to be literal and to the point in their communication, often voicing what might be perceived as strong and confrontational opinions. Directness is highly valued in business discussions, but direct criticism should be diplomatic and directed towards aspects of the problem and not towards anyone in particular.

Consensus and compromise – Swedish culture places a high importance on notions of egalitarianism. Consensus and compromise permeate almost every aspect of Swedish society. Decision-making in business can therefore be a slow process since everyone has a right to contribute and decisions will tend to be made only once everyone is in agreement.

Reserve – The national character of Swedes is often described as shy, quiet and reserved. As a result, Swedes are often mistaken for being cold and unfriendly but once you get to know them they are extremely warm and hospitable. The fact that they prefer to keep a large degree of separation between their personal and public life often makes them seem uninterested and distant when, in fact, they simply value modest and reserved behaviour.

Love of nature – Surrounded by expansive forests, archipelagos and over 100,000 lakes, it comes as no surprise that the small population of Sweden has a high respect for natural spaces. This love of nature is reflected in Swedish society such as in their environmental awareness and unique architecture. It is also evident at work where Swedes ensure that they take time off to escape from the high-paced business life to a more serene and peaceful existence in the country.

Doing Business in Sweden

Sweden has been inhabited by humans since at least the 3rd millennium BC. The fifteenth and early sixteenth centuries saw Sweden as part of a larger Scandinavian union. Later in the seventeenth and eighteenth centuries, Sweden became a Great Power of Europe ruling over much of what is today Finland, Norway and Denmark. After several conflicts with Russia and Poland, Sweden retreated from its imperial stance and became neutral in the twentieth century. Only joining the EU in 1995 and remaining fiercely opposed to the Euro, Sweden maintains a strong economic model founded on high-tech capitalist growth with comprehensive welfare benefits. Across Europe, Sweden is often envied for its low unemployment and continual economic growth. As such, Sweden is an ideal place for new business endeavours and investment opportunities, but doing business in Sweden successfully requires an in-depth understanding of this unique culture and business etiquette.

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

- **Working practices in Sweden**
 - The typical working week is Monday to Friday from 8am to 4pm. Swedes generally work 35 to 40 hours a week and take a minimum of five weeks paid holiday each year.
 - Appropriate business dress is conservative, with men wearing suits and ties and women suits or dresses.
 - Appointments should be scheduled in advance and confirmed a few days beforehand. Avoid scheduling anything in July or December as these are popular holiday months.
 - Punctuality is taken very seriously in Sweden, so it is important to arrive at the time specified. Advanced warning with an explanation is expected if you are running late or no longer able to make it.
- **Structure and hierarchy in Swedish companies**
 - Cooperation and consensus result in a relatively flat company hierarchy. Managers therefore tend to take a coaching role more than that of 'the boss' and treat all of their employees fairly and equally.
 - Decision-making in Swedish companies can occur at any level. While Swedish employees are encouraged to seek other opinions, they do not always have to obtain permission or approval from their superior.
- **Working relationships in Sweden**
 - The flat structure and low levels of hierarchy in Swedish companies create a relatively informal business culture. People greet each other with a handshake and use first names in almost every situation.
 - Swedes take at least one or two coffee breaks during the day known as 'fika'. This is an ideal opportunity to talk to your Swedish counterparts on a more informal basis to get to know them.

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

- ✓ DO respect a Swede's personal space. In Sweden people tend to leave a relatively large distance between each other when speaking. This is also reflective of the separation they will keep between their personal and public life.
- ✓ DO avoid comparing Sweden to Finland, Norway or Denmark as Swedes are quite sensitive to this and are proud of their own unique culture and identity.

- ✓ DO avoid criticising someone in public. Criticism should be given privately and diplomatically in way that gets your point across but avoids offending them.
- ✓ DO take the time to meet with your Swedish counterparts more than once. Swedes spend a lot of time on details and ensuring everything is right before making a deal so it is important to cooperate and assist where possible.
- ✗ DON'T be surprised when your Swedish counterparts take a few moments to respond. Silence and not interrupting are important considerations to bear in mind when communicating with the Swedish.
- ✗ DON'T over-exaggerate or over display your emotions. In Sweden, people pride themselves on their ability to control and present themselves in a sophisticated and respectful manner at all times.
- ✗ DON'T wear or do anything which would display or flaunt your status or wealth. Swedish culture is very egalitarian and therefore does not consider status to be very important.

Swedish Culture Quiz – true or false

1. Swedes tend to rely on feeling and intuition when making decisions or venturing into a new project.
2. It is polite to wait until your host makes a toast before drinking.
3. It is not uncommon to be asked personal questions about your family or social life.
4. When visiting a Swedish home, it is polite to remove your shoes at the door.
5. By tossing their head to one side, Swedes are gesturing for you to go away.

Swedish Culture Quiz – Answers

1. False. Swedes tend to spend a lot of time analysing the details. While their approach is very pragmatic, they will make a decision once they know it is the right thing to do.
2. True. It is also polite to thank them for the meal by saying 'Tack för maten'.
3. False. People in Sweden tend to be very private and do not inquire about other people's personal life.
4. True. Although sometimes in the city people leave their shoes on. If removing them at the door, be sure to bring some slippers with you to keep your feet warm.
5. False. Swedes often use this gesture as a way to beckon another person to come closer.

* Source: CIA World Factbook 2007

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