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# Status and Respect

By Lothar Katz

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Here is a lesson about cultural differences I learned the hard way: I first met Octavio Umberto, a senior manager with a large multinational company, in his native Brazil. We spent hours discussing ongoing business between our companies and getting to know each other. Next, he took me on an extended factory tour, proudly showing me the multitude of goods they produced. He and I got along great. After my trip, we stayed in touch via email on a regular basis.

A year later, I left the Fortune 500 company I had been working for in order to start my own business. Hoping he might be willing to serve as a reference, I contacted Senhor Umberto by email. After there had been no response in more than two weeks, I called him in his office to follow up on my request.

When I stated my name, he immediately hung up.

Senhor Umberto and I had been on good terms up to this point. I was sure that my email to him had been friendly and could not think of anything that might have offended him. Nonetheless, he hung up on me when all I was asking for was a simple favor. What was I to make of this strange and blatantly offensive behavior?

## What Constitutes Status?

The answer, I realized, had little to do with Senhor Umberto. Instead, it flags an important cultural difference in what constitutes status and how people respond to it. In the United States, Canada, and to a lesser degree, Western Europe, the recognition a businessperson enjoys largely depends on his or her individual achievements, such as business accomplishments, personal wealth, or public recognition received. Job titles matter only inasmuch as they help determine a person's responsibility and influence. While a strong educational background is also respected, degrees, even Ph.D. ones, at best receive a passing interest a few years down the road. Respect has little to do with position, since it is commonly assumed that someone who earned respect at one place will also be successful elsewhere, making him or her a person worth staying in touch with. An American not responding to my email might not be signaling anything; he or she might simply be too busy. However, hanging up on my call would clearly signal strong negative feelings towards me.

In Brazil, other aspects strongly influence a person's status and authority, the level of respect the individual receives, and the 'rules' for interacting with him and her. This is also the case elsewhere in Latin America, in most of Asia, and in many other countries around the world. Members of these cultures tend to pay close attention to titles, rank, and formal authority. Those in positions of power are usually respected even if their personal qualifications are limited. Conversely, individuals who have achieved significant personal successes but lack the 'right' background and title might command little respect. In such strongly authoritarian cultures, clear hierarchies are viewed as essential in business and elsewhere. Executives may enjoy enormous deference and tend to behave in paternalistic ways. They are expected to demonstrate their importance through status symbols and corresponding behaviors.

In my case, Senhor Umberto had accepted me as a business partner because of my previous job title and the formal authority it carried. As soon as I gave up that position, I no longer represented an equal partner within his cultural framework. Since we had not developed a close business relationship either, at least to his standards, he may not only have felt that he had the right to ignore my request for a personal favor, my call might even have offended him. From his perspective, he owed me nothing and saw no reason to do me a favor.

### **Important to Signal Importance**

My experience with Octavio Umberto, whom I still greatly respect, reminded me of an essential lesson: when dealing with someone from a different culture, don't assume that the "ground rules" are the same for both of you. Before making my request, I should have made sure to win my counterpart's respect on his terms, not mine.

Success in status-oriented cultures requires convincing your counterparts that your own status is equal or higher than theirs. Otherwise, serious business discussions and negotiations may be impossible. You may want to put your titles on your business card and other materials, talk about the importance of your role and the extent of your responsibility, refrain from leveling with subordinates, dress meticulously, mention that you are staying at a top hotel, and do whatever else you can to signal status and authority. You may not think much of these 'superficialities', but they could be crucial in winning your counterparts' respect. Business cannot be done without it.

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