

FRANCE BUSINESS CULTURE REPORT

Introduction

This report is designed to support and complement existing cultural information available through the UKTI posts in France. It adds value in that it provides evidence and information from discussions and interviews with those 'in the field' with regard to French business culture. Its primary purpose is to assist UK businesses in their dealings with the French market and to help understand its business culture and etiquette.



The report focuses on French language and business culture. It is designed to sum up the comments made by those we met. Several meetings, interviews & discussions were held in the UK and in France with French and British professionals, SMEs' representatives and business support staff based in France or trading/working in France.

The project, financed by UK Trade & Investment East of England, focussed on 8 questions we have often been asked by our UK clients. These were:

- 1) *Is it important to speak French to do business in France?*
- 2) *What are the differences between France and the UK in a general business context? What are the opportunities for UK business operators?*
- 3) *France has a reputation for red tape...*
- 4) *What should one expect in meetings?*
- 5) *Does French practice differ in terms of working hours and holidays?*
- 6) *How does France position herself in relation to Europe? How are British business people seen in France?*
- 7) *Are there significant regional differences in France? Should marketing material be adapted accordingly?*

8) *What points of business etiquette should a newcomer be aware of?*

We would like to express our thanks and our warm gratitude to all who contributed to this project. We are particularly indebted to Chris Fitzsimons, John Gearing, Chris Cox, Sarah Parker, Isabelle Agostini, Marie-Hélène Gouon, Mme Irmgard François from CCIP (Chambre de Commerce et d'Industrie de Paris) and the staff from UKTI. The following remarks represent a synthesis of their views.

1) *Is it important to speak French to do business in France?*

There was a unanimous agreement on the importance of speaking French. As one of our contacts put it: "If you can't answer the phone in French and write a simple letter or even say hello and how are you in French then forget it. ...However, once you have struggled to say a few words in French, often they will then warmly greet you with their good English".

Like the UK, France is a former colonial power which has had to deal with the dismantling of its empire. It is therefore proud of its civilisation and language and resents the English language, often seen as a post-war symbol of American cultural domination. A few years ago, a reader of 'Le Monde', wrote in to complain that you come across more English words today in Paris than you did German words during the German occupation! In consequence, speaking French is a central issue, in particular with reference to English.

France is a multicultural society, yet immigration is not always integrated into the fabric of French society. Recent economic stagnation has engendered an atmosphere of general pessimism and social volatility and unrest in many banlieux (inner cities).



France keeps close links in the world with French speaking people (as a first or second language) which constitute 'la francophonie' (the French speaking people and areas, 49 countries) and endeavors to promote French language (Ministère de la Francophonie) and preserve its purity (Académie Française).(see Annexe 4)

French multinational companies insist on using French, even if the broader language context is English: for example, a prominent French bank demanded that all its internal communications be in French, even if they took place between its staff in Germany, Australia, or the US. Most French

multinationals use French as their internal business language, while their German, Spanish or Italian counterparts would use English as theirs.

It is essential to speak a little French for social niceties, and you certainly get credit for speaking French at a social level. However, be sure your French is fluent before using it in negotiations, as your language *weakness* could be held against you, especially if the negotiation is confrontational. The French are not as understanding as other nationalities of mistakes. If you are unsure of your French, start with social French then ask for the meeting to be held in English or use an interpreter.

How much English do the French know? In multinationals or government at management level, fluency in English is becoming a must. However, "You can't do business outside Paris without a good level of French", as one of our interviewees put it. Most French people will have done some English at school, but the majority are no linguists, and will not be keen to use it (though they might understand more than you expect). Some, on the contrary, after investing years of hard work in learning the language, will be enthusiasts and will use any opportunity to practice their English. In medium or small companies, or in the provinces, this is less true, and you find plenty of people who are unable or unwilling to speak English. To deal with France, it is therefore crucial to learn the language.



It will generally be possible to find a person who can read printed material in English, especially in some sectors like IT, however the French will expect you to produce material in French if a long term working relationship is to be established. As we were told in no uncertain terms: "Make sure your website has at least a summary page in French, and /or employ a French agent

or distributor. Translate the brochures on your most profitable items or the ones you think should sell in France into French and have it checked by a French person with some knowledge of your market".

Above all, don't feel too daunted by this. French is not a difficult language to learn and all of those people we spoke to stressed how much they enjoyed working in France. Further information and guidance can be found in the How-To-Guide "Foreign Language Training" available (in the East of England) from your international communications advisor (www.rln-east.com/resources/how-to-guides). Useful topics to cover in a beginners' workshop would be the basic pleasantries, giving and understanding opinions, dialogues with taxi drivers, and some basic information about the company. Support in the East of England for language & culture training can be found through the website www.rln-east.com/funding, as there are several support projects currently run.

2) What are the differences between France and the UK in a general business context? What are the opportunities for UK business operators?

France prides itself on its history, and sees itself as a Latin country, heir of the rational Graeco-Roman civilisation, but do not expect it to be too Latin. Business-wise, it is no 'olive belt country'. It is closer to Britain or Germany in its 'no nonsense' business attitude. The business style in France is fairly similar and compatible with that of the UK. You can expect the country to be well organised, good at time keeping, reliable. The stress is on results.



What often first strikes British businessmen, is 'bigger government'. France is closer to Italy or Spain as far as state intervention is concerned. The French government is well organised and efficient. The centrality of government is omnipresent: from the imposing Arc-de-Triomphe, a bold statement at the very heart of Paris, to the French tricolore that you see

hanging in every government building.

France also appears more 'left wing', more socialist to post-Thatcher British people brought up on the principles of a free market economy. Social issues are central to both left-wing and right-wing governments. Equally, state intervention is not questioned by either. This general attitude can be summed up in the slogan of the French '*Parti socialiste*' (roughly comparable to the Labour party in Britain) 'Accepter l'économie de marché, mais non la société de marché' (accept market economy, but not a market society).

The French believe the state represents them. From the revolution onwards, the French have seen themselves as citizens rather than subjects. They are much more conscious of the state and its role, and of their rights. France is the country of '*La déclaration des droits de l'homme et du citoyen*', the first prescriptive codification of human rights.



The French revolution (1789), better known abroad for the excesses of the 'Terreur', the guillotine, and as a forefather of Communism, is celebrated and commemorated in France with Bastille Day (14 juillet, *Fête Nationale*). The French national anthem, 'La Marseillaise' is a

revolutionary song. It was a momentous change that marked French values: republican virtues, rigour, meritocracy, intellectualism all stem from it. One consequence is the eagerness for change, the readiness to 'tear the pavement' up, if need be. The country is prone to robust industrial action. The omnipresence of revolution appears in marketing as well. A recent advertising campaign ran with the slogan 'the Music revolution (MP3), the technological revolution'.

You might expect such a society to be very egalitarian. The opposite is true: France is more hierarchical than the UK and in business you need to be very aware of this. However, hierarchy in France is not determined by birth, but by intellectual achievements, technical preparation, diplomas and so forth. The importance of study and certificates cannot be overstated.

The top echelons of state and business are educated in the same top Universities, called *Grandes écoles* such as E.N.A. (*École National d'Administration*), HEC, (Haute École de Commerce) or École Polytechnique. There, they make valuable connections & forge useful alliances. There is therefore a 'jobs for the boys' network at play that favours French companies and services. We were told: "we lost an order to a company from Lyon whose apparatus was much bigger than ours and which therefore did not fit inside the relative humidity chamber so it sat around unused for several years before they did buy ours. The head of purchasing went to the same school as the head of our competitor in Lyon".

France values experts & technocrats. The decisions are taken from the top down. So, don't be daunted. Insist: if your case has merit, if you can bring 'savoir faire' (Know-how), technologies, if your product is sound, you will make a success in the end, as did the company cited above and many others among our contributors.



Napoleon is another landmark in French history. An outstanding general with a robust legal mind, he pacified and organised the country after the roller-coaster period of the French revolution. He created a strong central government, firmly led by Paris, and 96 administrative districts, ('Départements'), in alphabetical order (see annex 3). The Napoleonic code, where every aspect of life is examined and regulated, is still the basis of the French legal system.

This is the root of French **dirigisme**, or centralised power, applied in business as much as politics. This centrality of government has never been challenged in France. The current president Sarkozy was elected on an institutional reform ticket. He is declaredly pro American and pro business. He is

undoubtedly active and energetic. He is a moderniser. However, it is doubtful that France will ever go for 'less state'.

The French government supports French enterprises, acting to keep them under French control. France has a protectionist bias, tempered by its membership of the EU. In France there are many multinationals and not so many SMEs, except in the food and drink sector. New companies are encouraged, but the majority of French people prefer the safety of a secure job (*fonctionnaires*) to the risks of starting a small business (*petit entrepreneur*). As a whole, French society tends to be conservative and risk-averse.

Rationality is an important national characteristic. You will be expected to be logical, and your arguments will be expected to be rational. Britain is more pragmatic. France is a more intellectual and a more formal society. It has a *penchant* for intellectual debate and intellectual pursuit. Culture is at the forefront of peoples' interest: France has the highest budget for culture in the world (1% of GDP).

There are plenty of opportunities for UK professionals and enterprises, in many fields. Pragmatism will give an edge to UK businesses in many situations. Perhaps surprisingly there is scope in catering, and more predictably in the IT, technology, science, retailing, health, construction, real estate and finance sectors.



If you intend to move there or to start a company in France, get the proper background research and information first. UKTI, the British consulate and French chambers of commerce will be your first ports of call with a wealth of fundamental information.

3) France has a reputation for red tape...

To UK business people, France can seem obsessed with obstructive red tape. There is certainly more bureaucracy & more lengthy procedures to be respected, the infamous '*paperasse*' (the heaps of bureaucratic papers and forms to fill in). This can tax anybody's patience (including that of the French themselves). The Napoleonic code mentality is at play again: there are rules and regulations that apply for every single situation. However, this has positive as well as obviously negative aspects. It is confusing for foreigners. On the other hand, if the procedures are followed scrupulously, the machine proves effective.

The French state is well organised and on the whole efficient. There are higher taxes (particularly hypothecated charges, akin to Britain's National Insurance), but excellent public services: health, education, transport etc. The French love credit cards, numbers, codes. You need a door code to enter a block of flats or to open your hotel room door. Cash is very seldom used in any commercial transaction. Residents own a Health Card (*'carte d'assurance maladie'*) that contains all the information about the holder (from blood group to health history, allergies, drugs taken...), all you need to do is to hand them to the chemist to be given exactly the drug prescribed. No one is worried about the compulsory carrying of I.D. (*'Carte d'identité'*).

Before you engage with French bureaucracy, get all the facts you need, and double check them. Plenty of help and support is at hand. 'Play the system'. It works.



4) What should one expect in meetings?

Meetings are to the point. After a little small talk (possibly in French, it does help!), people get straight down to business, much as they would in the UK. At this stage, insist on switching to English or use an interpreter as appropriate, if your French is not really fluent.

It is important to dress appropriately & smartly. It is as statement of position, power, hierarchy, all important to establish in France! Don't expect to speak in turn, or to be asked your opinion. Fairness, political correctness, team spirit are not strong themes in French business culture. Life is expected to be unfair (*'c'est la vie'*).

Business women found business gentlemen 'charming'. Paying personal compliments to a woman is accepted as a due by French women, and not found discriminatory. The best advice with all of these tendencies is to be prepared for them, and go with the flow; getting yourself wound up will simply create hostility. Remember that this is the French way, rather than an anti-British or 'sexist' attitude. In particular, a robust exchange between professionals in France is *not* personal.

Don't expect too much 'give and take'. People are not necessarily ready to meet half way. Expect a logically structured debate that examines all sides of the question.

Be well prepared for negotiations, ready for questions from experts. Expect a grilling, with in-depth questioning to gauge your preparation and reliability. The French are meticulous when it comes



to examining information and proposals. Bring plenty of information in written form for your French counterpart to examine.

Hard sell tends to backfire. Presentations should be factual and well-organised, and having an eloquent argument will lead nowhere if it is not supported by logical, rational and proven evidence.

In France a meeting is seen as chiefly informative, a statement of positions, rather than a decision making forum. Issues are not necessarily resolved in one session. The negotiation process can be longer, and require many meetings (which all the British interviewees found frustrating!).

In meetings the French tend to be very direct verbally & very assertive. Direct questions sound abrupt to their British counterparts (what are you saying exactly? What is this expected to do?) They are in reality probing questions. Strong statements are being made: '*je ne suis absolument pas d'accord!*' ('I disagree totally!' where a British counterpart might have said: 'I fear we might not be seeing eye to eye on this one'. It is simply a clear statement of position. No hard feeling involved. Do not take it personally. Don't lose your temper, just respond in kind. Make your views and how you feel known, clearly.



On the contrary, the French are very formal & very polite in writing. "They do like to waste time with little formalities and courtesies and lots of letters to and fro", as one of our interviewees puts it. A business letter demands an appropriate introduction, a main body, and a conventional conclusion. It is a very formal business! Where a British business person would end his letter with 'yours sincerely', or even 'regards', his French

counterpart will end with a formula like this: '*Je vous prie de bien vouloir agréer, Monsieur/Madame, l'expression de mes salutations les plus distinguées*' (Literally, it means: I pray you, Sir/madam, to accept the expression of my most distinguished greetings). There are several formulas of this sort.

If your French is not that fluent, buy yourself a book on writing French letters or ask a French speaker (possibly with some competence in your field) to check it for you.

5) Does French practice differ in terms of working hours and holidays?

No, the French are not *always* on holiday, but they are more frequently so than in the UK. 'Les vacances' like 'les week-end' are sacred! This is part of French quality of life. The paradox is that the French workforce is very efficient, with very high productivity. The French work less hours per week (35), have more annual holidays, with a minimum of 30 days off, to be taken from May to Oct (période légale). In August most of the economy is closed, with everything grinding to a halt. But this may be changing: President Sarkozy has recently de-taxed overtime, trying to quietly put the 35 hour week to rest.

Nouvel an (New Year)	1 January
Lundi de Pâques (Easter Monday)	Variable in March or April
Fête du travail (labour day)	1 May
Fête de la libération (Armistice day - 1945)	8 May
Ascension	Variable in May
Fête Nationale (Bastille Day)	14 July
Sainte Marie (Assumption)	15 August
Toussaint (all saints)	1 November
Fête de l'Armistice (Armistice day - 1918)	11 November
Noël (Christmas)	25 December

What we would call 'bank' holidays fall on any day of the week, allowing staff to '*faire un pont*' (to bridge, to make a bridge) to the nearest week-end, taking the days in between as leave. Just check before hand when the national holidays will be, keep in mind 'bridges', forget about business in August (July can be tricky too) and don't expect offices to be opened there because they are in the UK. To generalise, office hours are normally 8.30 to 6.30 with a long lunch break from 12 to 2.

6) How does France position herself in relation to Europe? How are British business people seen in France?

France, one of the founder members of the European Union, certainly sees itself very much as a driving force of the 'European project'. That said, recently French citizens have felt betrayed by promises of prosperity perceived as unfulfilled, by a loss of control in Europe itself and in France, a loss of sovereignty (the changeover to the Euro, quite traumatic for some, is blamed for rampant price rises), by an extension of European borders without their consent, and so forth.



In France there are different visions about what Europe (as the EU is frequently referred to) should be. However, there is not a single political party in France which is declaredly against the European Union. France is quite proprietorial as far as the EU is concerned. The French might be quick to criticise the Union, but might resent other nationals doing so.

The French will generally think of the British as the English (Les Anglais), upsetting as this might be for other inhabitants of the UK. The feelings are mixed, maybe due to a closely inter-related history with Britain, perhaps, making them cousins and enemies at the same time. France fought England during the Hundred Years War, a defining moment of 'Frenchness'. Jeanne D'Arc, heroin of French resistance, is the patron saint of France. It also fought the UK on the side of the American colonies, and it fought for world supremacy until the 19th century (when Britain had the bad taste to prevail!)



However, since Victorian times, l'entente cordiale' has prevailed and the UK and France have been allies in the past two Worlds Wars. Apart from its debt for 'Libération', the young in France have been falling under the charm of 'Cool Britannia' since the sixties. The Celts, if differentiated, are more popular: the Scots on account of 'vieille alliance', the Irish as they appear romantic, victims of the English, the Welsh as closer relatives, if not long lost cousins (Les Gallois, Welsh are related in French minds to 'les Gaulois', their own Celtic ancestors). So if you have any Celtic blood you will find that this tends to go down well with your French contacts.

'Les Anglais' are seen as eccentric and difficult to fathom, not clear and sincere, not quite committed, sitting on the fence. There is some rampant Anti-Americanism in France, and some find the UK too close to Uncle Sam.

They are also seen as cool & self controlled. On balance, especially in business, the British have a positive image: very efficient and pragmatic (they are, after all, in Napoleon's own words 'a nation of shopkeepers'). British business people feel appreciated in France.

7) Are there significant regional differences in France? Should marketing material be adapted accordingly?

One of the charms of France is her massive regional variation, going from the snowy high mountains, (Pyrenees and Alps), to the dramatic Brittany coast or the sunny Mediterranean. This difference is reflected in landscapes, climate, architecture, food and the people, subject to cultural influences from neighboring countries, not to mention some distinct local languages such as *Breton* or *Occitant*.



However, this regionalised France has until relatively recently been kept together and firmly governed from its head - Paris. Its 22 relatively devolved regions were only created in 1982. (see annex 2). Paris still has a fairly central role though, remaining firmly in the driving seat.

France has bi-cultural border regions; so, like their neighbors in the Mediterranean regions of the South, bordering Italy and Spain, people are expected to be warm, friendly, not always respectful of deadlines or engagements. In the North West, on the Atlantic: *Bretons* and *Normands* are seen as quiet, not eager to take sides or make hasty decisions. In the continental North East, *Alsaciens* and *Lorrains* are expected to be sticklers for time, cold and efficient. The food, surnames and local expressions reflect these cross-border influences.

Though everybody recognises this variety, people are proud to be French. Parisian style prevails in business, and no real difference therefore was cited on how business is done or how products are marketed across France. As one of our interviewees puts it, "Be prepared to read up on lots of French literature and be patient. Also find out the relevant French societies and entities which cover the areas and join them and go along to their local meetings. It is a very good way to meet some potential customers".

If your marketing goes beyond some leaflets, the best route is to seek advice with UKTI or French speakers with a specific knowledge of your field before you invest in a major advertising campaign. "If you have a good product which does things better than their own or is easier to use then you will succeed but it may take time to achieve this".



Further information and guidance can be found in the How-To-Guide "Adapting Materials to International Markets" available (in the East of England) from your international communications advisor (www.rln-east.com/resources/how-to-guides).

8) What points of business etiquette should a newcomer be aware of?

The general consensus amongst our witnesses was that France was more formal than the UK. Remember this in your dealings. Use surnames and titles (*'Monsieur le Président Directeur Général'* is the French for Chairman or executive manager), use the polite form of address (*'vous'*) unless asked otherwise, and respect seniority. The personal space is closer than in the UK. People stand closer, shake hands on arrival and departure. Often, between men and women or between women, a *'bise'* is exchanged (this is a light peck on each cheek).

Appearance, presentation, dressing well are all important factors in French business. Don't forget that Paris is *'capitale de la mode'* (fashion)! The way you dress is a symbol of your status, your position & your power. You are expected to wear a well cut suit, and have accessories (shoes, socks for men, shoes, handbags, jewelry for women) to match. If you are dressed too casually, too informally, you are not going to be taken seriously. Appearance is important and can work against you, if you don't take proper care.

It is important (though not indispensable) to establish a *'rapport'* to facilitate business. To build a positive personal relationship is the best way to be trusted, so time spent to make friends is time well spent. However – this is still business – don't confuse this advice with the idea that you and your family should mix with business colleagues *'out of the office'*: that is another matter – see below.

Eating and drinking well are quite central to the all-important quality of life in France. Every shop and business closes down between 12 and 2 for a lunch break. French business people will assume the same applies for you. A *'déjeuner d'affaires'* can be a time-consuming affair, but generally it will be a

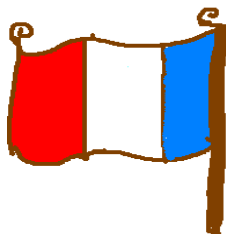
pleasant experience! It is rather different to one of those sad occasions in which people continue a meeting while munching on a sandwich. This would be considered as a deliberate insult by French people – so take care if you host French business guests in the UK.

In France, you are more likely to go to a top restaurant '*aux frais de la Princesse*' (at the expense of the company or the government), seen in France as part of the benefits of business. However, don't raise business concerns before the end of a meal. If you entertain visitors, take time for proper meals; choose a good restaurant, in preference with local specialties, as French people like to try local food - there is a huge regional variety in France, and it is one of the pleasures of traveling. They will expect to do the same in Britain, and have '*le rosbif*'!

In France, business (or the working sphere) and social life are kept generally apart, people don't tend to go out socially with their business associates. Often in the UK people expect to 'bond', while in France an excessive familiarity can be seen as '*frivole, pas sérieux*' (frivolous, not serious). Keep your distance, especially if you are in a senior management position. Of course, there is no reason not to build eventually a personal friendship in consequence of a lengthy business association. Then families will be involved and the informal 'tu' become appropriate.



A rule true all over the world if you want to want to endear yourself to the locals is praise, don't criticise. France is no exception here, *bien au contraire!* (quite the opposite). Do comment positively on the country and whatever is working well for you, and keep criticism to yourself, or minimise and contextualise it. As one of our interviewees puts it: "I also drove a French Renault Espace, which helped break the ice, I think, and always complimented their wines and cheeses".

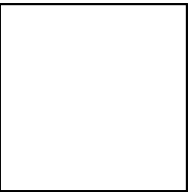


TEN TOP TIPS:

- 'Nail the language down'. Prioritise improving your French. Greet people in French, to establish a friendly contact, and if you are not so fluent in the language, then state you will speak English, or use an interpreter.

- Remember France is more formal than the UK: use surnames and titles (*'Monsieur le Président Directeur Général'...*), use the polite form of address (*'vous'*) unless asked otherwise, respect seniority. Shake hands on arrival and departure.
- Appearance is important. Dress smartly (suit), this is a symbol of status.
- Take time to make friends, to eat, drink, and relax. The importance of eating and drinking in France cannot be overstated. Don't raise business concerns before the end of a meal. If you entertain visitors, take time for proper meals; choose carefully your restaurant, in preference with local specialties. Presents or social niceties won't influence decisions, but taking care of details (*'être civilisé, sophistiqué'*) shows care, interest and respect, and facilitates business. Be positive (give praise where it is due, keep criticism to yourself).
- Make sure you are negotiating with a person with decision power. Don't expect immediate decisions. French people will want to know who is in charge, and will want to know if a person has decision power. They will expect to deal with senior elements of a company. Come well prepared.
- In meetings the French tend to be very direct verbally & very assertive. Do not take it personally. It is simply a clear statement of a position. Do the same. Keep your cool, but be firm and decisive. On the contrary, the French are very formal, very polite in writing. If your French is not that fluent, buy yourself a book on writing French letters or ask a French speaker to check your letters for you.
- In France, business (or working sphere) and social life are kept generally apart. Don't expect to socialise with business partners (clients/suppliers etc) or colleagues outside your normal working life.
- Do your homework. Familiarise yourself with the country, the region you are targeting, and the specifics of your field. Get a clear picture (if necessary double-check) of rules and regulations governing all the aspects of your undertaking. Plenty of support and information is available. (UKTI, CCI etc...).



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- Do not underestimate or try to bypass what seems useless bureaucracy. The system may be daunting, but in fact it works quite well and it is worth taking the time to do everything by the book. Do not be confrontational with those in authority, it will not work. Be patient.
 - Enjoy what France has to offer!

Everybody we spoke to found it a very pleasant experience to do business and/or live in France – but they cautioned that you need to understand it in order to succeed.

The final piece of advice is to embrace the country and culture. A business opportunity can also be an opportunity to relax and enjoy what the country has to offer. France is the world's number one tourist destination, with 75 million visitors a year. Its food, wines, fashion, shopping, entertainment, monuments, not to mention its landscape and climate are justly world-famous and might prove a valuable collateral aspect to your business activities.

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