Chapter 19: The Netherlands

Overview

Hemmed in against the North Sea by Germany and Belgium, the Dutch have made the best of the most crowded piece of land in the EU, creating on it the world's largest port and expanding seaward rather than landward. With the 14th biggest economy in the world, the Netherlands is a small nation with a big clout.

Culturally, the Dutch face north and west (and a bit east) but not south. Their Latin traits are few, but there are striking commonalities with the British, Germans, Swedes and Norwegians, as if at different times they followed different models. Perhaps this partly explains the paradoxical nature of Dutch society. With the Norwegians they share the exceptional characteristic of the national moral dilemma—how can a modern state embrace permissiveness, tolerance, sweeping innovation and pragmatic pursuit of wealth without losing the embedded historical values that served its straitlaced, frugal society so well in the past?

The pervasive egalitarianism in both the Netherlands and Sweden has led to the creation of Europe's two most comprehensive (and expensive) welfare states, with the subsequent corollary of high taxation. In both cases the expense of this luxury has been increased by a generous immigration policy: 10 percent of Swedes today were not born in Sweden and 15 percent of those in the Netherlands are not of Dutch descent.

In the business world, both the Netherlands and Sweden have many famous multinational conglomerates (Shell, Unilever, Philips, Volvo, Electrolux, Scania, Alfa-Laval, etc.) relative to the size of their economies. This is quite different to the situation in, for instance, Denmark, Norway, Finland and Belgium, where few companies are known worldwide (Nokia and Carlsberg are perhaps the only ones).

The proximity of Germany makes it only natural that the Dutch share many traits with their dynamic neighbor. Dynamism, industriousness and work ethic are among the most important of these characteristics. If the Germans are known to be efficient and punctual, the Dutch would claim to be their equals in these respects. Profit orientation is strong and money must be made (but not spent too quickly!). The Dutch and Germans are equally frugal, though their governments (especially the Dutch) are less tightfisted. Only the more conservative, older type of Dutch company resembles the German, but common management traits are frankness, a certain formality with regard to titles and the significance of education as an essential component of leadership. Education is conducted in Holland along German lines, with vocational schools, apprenticeships and on-the-job training major features. Both countries excel in the production of engineers and technicians. The Dutch and Germans rival each other in being rights conscious, but compensate by also being very conscious of their duties; rationality is another common factor.

Their forthright Germanic traits notwithstanding, it is perhaps with the British that the Dutch identify most strongly. When conversing with the English they have a confiding air of kinship easily straddling the narrow stretch of water between them. The inhabitants of the Frisian Islands speak a language somewhere between Dutch and English. The sea-going traditions of both countries give them a sense of sharing early internationalism, exciting eras of exploration and entrepreneurialism, and huge, rambling empires where durability, administrative skills and religious tolerance were notable features. The Dutch and the English cling to their royals and basic conservatism, but soften this with democratic parliamentary government, love of debate and a quiet, roll-up-your-sleeves self-determinism. Love of home, gardens and flowers are similar in both countries. In business, Dutch and English people resemble each other in dress, exploratory discussion, profit orientation and pragmatism. A surfeit of protocol is frowned on, food is not central to either culture and internal competitiveness, while keen, must remain covert.

Culture

Values

Dutch economic and geographic paradoxes are comprehensively matched by those of their values:

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<tr>
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<td>opinionated</td>
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Leadership and Status

The hierarchical pyramid in Dutch firms is decidedly flat: managers sit with other executives and decisions are made after lengthy consultation and consensus. As in Japan, one diligently avoids the "tyranny of the majority" and unanimity of decision is sought on most occasions. Individuals may stick to their opinions and cannot be steamrollered, but a great deal of pressure may be brought to bear on persistent lone dissenters.

Space and Time

The most important aspect of Dutch present-day culture is lack of space. Never tell a Dutch person that this must be an awful way to live. They will tell you to mind your own business as they take some more land from the waters of the IJsselmeer (former Zuider Zee) and, slowly but surely, start building higher and higher apartment blocks everywhere. Indoor stairs and elevators are steep, and elevators are small, even in the largest office buildings. Working, walking and entertainment areas tend to be small and crowded. Living accommodations are cramped by American standards, and sleeping areas are even smaller. People are forced to think in terms of practicality and efficiency in the use and adaptation of space. They also have an obsession with "coziness," making good use of flowers in homes and gardens and even put Persian carpets on tables and walls to create an inviting atmosphere.

As far as personal space is concerned, formal contacts and strangers are kept outside of a 43 inch (1.1 meter) radius "space bubble." Physical contact is not welcomed and body language is limited.

Dutch people place a high value on punctuality. Arriving late or not honoring appointments may cause them to end a business relationship. Time is never to be wasted; agendas and schedules pack as much business as possible into meetings. In the Netherlands, trade union leaders tend to have a constructive attitude toward employers' problems and rarely strike, since that would be a horrendous waste of time!

Cultural Factors in Communication

Communication Pattern

The pragmatic Dutch, though mainly concerned with facts and figures, are also great talkers and rarely make final decisions without a long "Dutch" debate, sometimes approaching the danger zone of overanalysis. Foreign counterparts are also subjected to this and are routinely tested for bluffing, as Dutch people, with their long international experience in business, hate to think of themselves as being in any way gullible.

Listening Habits

The Dutch are cautious, skeptical listeners who prefer "cut-and-thrust" dialogue to any form of lecturing. Dutch audiences are both easy and difficult: easy in the sense that they are hungry for information and good ideas, difficult because they are very experienced and not open to much persuasion by others. Like the French, they tend to "know it all," but will in fact accept and seize viable plans and projects which are presented vigorously and backed up with convincing evidence.

Behavior at Meetings and Negotiations

Meetings are based on factual information; shows of emotion or ebullience are generally frowned on. Mutual help and dependence are general goals; confrontation is rare and not desirable.

Dutch meetings start on time in a rather formal atmosphere, which relaxes gradually as people get to know each other better. Surnames and sometimes titles are used at first. After four or five meetings the oldest or most senior Dutch person...
present may offer the use of first names. Even when discussions have entered a more relaxed stage, overt friendliness may be regarded as an imposition. This and personal questions about family, health, and so forth, are normally avoided during business conversations.

![Figure 19.1: Dutch Communication Pattern](image)

The Dutch shake hands with everyone at all meetings, both on arrival and departure. Introductions are short and to the point, and small talk is minimal. One feature of Dutch life is the "business luncheon," which can last up to three hours. Decisions may be made during such a lunch.

In general, the Dutch have a fairly high tolerance for bureaucracy: discussions are structured, correct and detailed.

Dutch meetings can be rather formal, though the Dutch adapt well to the informality of cultures elsewhere in Northern Europe. Small talk at the start of the meeting is limited. “Extra people” may be present at negotiations in order to allow on-the-spot delegation. Negotiation is analytical and fact-based; it moves quickly, although some issues may be debated in depth. The Dutch are practical and seek compromise. Often their first offer is what they believe to be a reasonable final outcome. Quality, reliability and cooperative relations are valued more than getting a low price.

The Dutch enjoy conflict and debate. Anyone may offer an opinion; negating his or her idea does not mean negating the person. Reason is always highly valued. With reason on your side, you can drive a hard bargain. Concessions are made with some reluctance; pressure is always firmly rejected.

**Manners and Taboos**

Dutch people usually entertain you in restaurants and cafes, only occasionally in their homes. If you are invited to a home, you are expected to bring flowers. Food is generally wholesome but unexciting. Don't help yourself to the hors d'oeuvres and don't drink until a toast has been proposed. Coffee, which is served at the end of the meal, not with dessert, is a signal for you to depart. A second serving of coffee is a clear signal to depart. Small talk includes soccer (very popular) and the international situation, both political and business, but avoid any discussion of religious views.

Handshakes are short, with a firm grip and an optional slight nod of the head. You should shake hands with the senior person first and then with everyone else in the room, including children.
It is common to exchange greetings with people you meet in elevators. It is not unknown for taxi drivers to invite you to sit next to them. They, like most Dutch people, are invariably fluent in English. Dutch people are obsessed with their rights, so you should never even hint at superiority over others—and that includes waiters, taxi drivers, shop assistants and hotel staff.

Things to avoid are any show of extravagance, ostentation or pretentiousness. You are expected to be competitive in business, but "cold calling" and influence-peddling are frowned upon.

How to Empathize with the Dutch

- Know Dutch history, involvement in former colonies and achievements.
- Congratulate them on their impressive linguistic abilities, but speak a few words of Dutch now and then.
- Show that you are punctual, honest, dependable, rational and egalitarian.
- Back up all you say with facts.
- Focus on mutual profit.
- Be willing to brainstorm and endure long debates.
- Expect and practice verbal agility.
- Drive a hard bargain, but keep your promises.
- Be informative, informed and well prepared.
- Engage in moderate small talk before getting down to business.

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<th>Key</th>
<th>Respect individual rights</th>
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<td>Cross-century mood</td>
<td>- The Dutch are among the most committed and enthusiastic members of the EU.</td>
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<td>- They see the twenty-first century as &quot;going their way&quot; in terms of increasing human rights, deepen tolerance of ideas and caring and nurturing environments.</td>
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<td>- There is general satisfaction with their economic performance, political goals and humanitarian standards.</td>
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<td>- National soul-searching continues as to how to combine maximum tolerance in society with adherence to straitlaced traditional values.</td>
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Motivating Factors

- The Netherlands is a small country in area, but it has powerful international and economic clout. Show that you are fully aware of (and admire) their incredible achievements.

- Congratulate them on their internationalism.

- Be humorous. Dutch humor is earthy rather than witty.

- Show some frugality; the Dutch dislike extravagance.

- Indulge in give-and-take; this gets them going.

- In the Netherlands, personalities are separated from opinions. You may therefore object to what your Dutch hosts propose without incurring dislike. Similarly, they will feel free to criticize your views openly without offending you.

- Be frank and open about most things; don't try to pull the wool over their eyes.

- Attune yourself to their limited protocol. This means not being dressed too formally unless requested. They are not so concerned with graciousness, preferring to deal with people who are businesslike and straightforward.

- Let them offer the use of first names and other informalities, especially when they are on their home ground.
Remember that Dutch cleanliness is legendary.
Demonstrating professional competence is a must. The Dutch are impressed by bottom-line achievements.

**Avoid**
- Wasting their time; the Dutch are industrious and you should try to match their diligence and work rate.
- Jokes or strong opinions about religion.
- Too much ebullience or charisma; the Dutch are basically conservative.
- Pushy tactics; the Dutch are skeptical.