



South Africa

South Africa, the largest and most advanced economy in Africa combines a well-developed infrastructure with vibrant emerging markets and considerable consumer spending power. Since the end of apartheid in 1994, South Africa has been politically stable and focused on market-oriented economic policies, including free trade agreements with the EU. Though South Africa was not immune to the effects of the global recession, structural reforms have increased the economy's diversification to boost future resilience. Unemployment remains an immense challenge with an official figure of 25.2% but the real figure is higher. Two thirds of all those unemployed are below the age of 35.

South Africa deserves its nickname as 'The Rainbow Culture' as it is indeed one of the most multicultural nations on earth. The majority of the population is black African (80%), representing many different tribes such as the Zulu and Xhosa. In addition, 8.5% are white (Afrikaners of Dutch origin or of British descent), 8.8% are colored a term used in South Africa, including on the national census, for persons of mixed race ancestry and 2.5% Indian/Asian. Africa's black middle class has more than doubled over the last eight years, growing from 1.7-million South Africans in 2004 to an estimated 4.2 million in 2012, according to research by the UCT Unilever Institute of Strategic Marketing.

While English is widely spoken, it is only one of eleven official languages of the country. Most white South Africans are bilingual, speaking English and Afrikaans, which is closely related to Dutch. Blacks speak their own native tongue and may have a working knowledge of Afrikaans and English. While most South Africans avoid confrontation, levels of directness may vary greatly. Afrikaners are often more direct and may be blunt. They do not find it difficult to say 'no' if they dislike a request or proposal. Afrikaners value straightforwardness and honesty more highly than tact or diplomacy. Black South Africans, on the other hand, can be more indirect than the other groups. Instead of 'no,' they may give seemingly ambiguous answers such as 'I am not sure' or 'this will require further investigation.' Alternatively, a respondent may deliberately ignore your question. With Blacks, extended silence likely communicates a negative message.

Traditional South African business tended towards the accumulation of power and decision-making in the hands of a few senior managers - leaders who addressed their staff with familiarity and heartiness. Post-apartheid, things have started to change — especially under the influence of the myriad of MNC's in the country. Hierarchies are breaking down somewhat and younger middle-managers looking to become more proactively involved in decision-making.

Traditional companies are also very hierarchical with people expected to work within clearly established lines of authority. The decision maker is usually a senior executive who will consider the best interest of the group or organization. If decisions are made at lower levels, they often require top management approval, which can be time-consuming. Black managers often consult with others and carefully consider their inputs. This process can take a long time and requires patience. Most modern South African businesses apply the democratic management style. However, the more traditional managers are still autocratic by nature.

Meetings usually start with some polite small talk, which may be extensive with Afrikaners or Blacks. A sense of (hearty) humour and good manners are appreciated. People rarely discuss their private life around meetings and you should not inquire about their family or marital status. The overall meeting

atmosphere is usually quite formal, especially early in the business relationship. South Africans are good, patient listeners.

According to author, Lothar Katz, negotiation approaches in South Africa may depend on your counterparts' cultural background. Afrikaners can be quite competitive but are generally clear, analytical and may be unwilling to agree with compromises unless it is their only option to keep the negotiation from getting stuck. There is little deviousness or coded speech. Black and British South Africans are more expressive in their speech but view negotiating as a joint problem-solving process. The latter are often willing to compromise as necessary to reach agreement, while Blacks may be inclined to leverage relationships as a way to resolve disagreements. They may also focus more on the longer-term benefits of the business deal than the other groups. Avoid all aggressive tactics in South Africa. Though Afrikaners may occasionally appear aggressive, this usually only reflects their direct and blunt style rather than any tactical behaviour. Responding in kind is rarely productive.

In general, South Africans value time although this is not quite universal in the country. Generally, they pay high respect to time boundaries that they themselves have set. Because of this, they are known to adhere to schedules despite any conflicting circumstance. When deadlines are not met, managers will opt to increase work hours rather than adjust the timeline for a particular project. In Cape Town, there is a more relaxed approach to time. Here, schedules are flexible and somewhat vague. In cities like Johannesburg, on the other hand, business is fast paced. There is also a clear desire to meet deadlines at the soonest possible time.