

# Culture of singapore research paper

[Sociology](#), [Communication](#)



## **Business Culture of Singapore**

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In 2010, Singapore was ranked by Forbes magazine as #5 in its “ 2010 Best Countries to Do Business” while the U. S. only ranked #9 . It is known as the “ First World Oasis in a Third World Region” . According to the U. S.

Department of Commerce, in 2010, Singapore was the third largest recipient of U. S.’ foreign direct investment in the amount of US\$106. 04. All these data show that it is important for the U. S. to understand fully the business culture in Singapore in order to successfully do business there. Being an Asian country, there are a lot of differences between the U. S. and Singapore in terms of doing business.

Singapore is a melting pot of various ethnic races comprised mainly of 77 per cent Chinese, six per cent Indian, 15 per cent Malays and two per cent expatriates. Because of the diverse culture found in Singapore, an American businessman must have a general idea of the business etiquette, customs, values and beliefs of these races. Basing the comparison on Hofstede’s dimension of national culture, the differences between the business culture of the U. S. and Singapore will be discussed. With regards to the power distance aspect, Singaporeans, more than Americans, believes in inequalities among people to bring stability in society. Furthermore, in business as well as government organizations, there is a centralized authority and employees rely on their superiors for rules. In terms of individualism, Americans are individualistic while Singapore may be considered a collectivist society. Singaporeans value their in-groups namely, their families, clans and organizations more than themselves. On the other hand, Americans are

more individualistic, meaning they give precedence on themselves over their groups. For Singaporeans, communication is not direct to avoid any open conflicts, unlike Americans who are more straightforward in dealing with other people. Saving face is an important value for Singaporeans.

With regards to the concept of masculinity and femininity, both Americans and Singaporeans are almost on the same level but the latter is more on the feminine side which means that they sympathize with the underdogs and prefer consensus than conflict . For Americans however, conflict often ensues when one is determined to fight for his beliefs, in contrast,

Singaporeans are non-confrontational; thus, they will not say “ no” directly.

For a U. S. company, a major advantage in entering the Singapore market is the ease of communication. Most Singaporeans speak and understand English which is the language used in business and government. Aside from its strategic location, Singapore’s economy boasts of a well developed open market which is corruption free. Furthermore, it offers world class physical and research infrastructure supported by state of the art services in communication, transportation and energy. Government incentives for foreign investors such as low taxes and low interest rates are in place in Singapore.

Americans must take note that Singaporeans are very cautious in doing business. They are very courteous in dealing with other people especially their superiors. Americans must be very careful with their body language and facial expressions as these might be misinterpreted.

Doing business in Singapore is looked forward to by several foreign companies. This is because of its well developed economy characterized by

competitive factors such as its conducive business environment, low tax rates, strong IP protection, global competitiveness, openness to trade, innovation, efficient bureaucracy, highly educated, skilled and hardworking labor force and a satisfying living environment. However, any company who wants to do business in Singapore or in any other country for that matter, should strive to understand and accept the country's culture and business etiquette to be successful. Indeed, Singapore is a haven for American businessmen but cultural considerations must always be taken into account.

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