

# Cultural differences between australia and mongolia



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Cultural Differences between Australia and Mongolia The culture of Australia and Mongolia is different and cannot be ignored whilst doing business. The sets of values, beliefs and rules held by Mongolians is essentially different from Australians therefore it is important to understand what are the cultural norms and values that are prevalent in Mongolian society in order to avoid miscommunication and enable a prosperous business future between Australian and Mongolia business firms.

Mongolians are proud, self-confident, and independent in disposition therefore it is important to avoid ethnocentricity in dealing with their local culture and people when doing business projects. The condescending attitude or belief that one's ethnic group or culture is more superior than another is against the belief of Mongolians when business is done whereby they prefer friendliness, relationship building and respect for each other's cultures when carrying out business deals (Pagvajav-un 2006).

Australians prefer a consultative style of management that includes the opinion of every person and encourages debate and ideas compared to an authoritarian style. It would not be uncommon nor is it disrespectful to see a low-level manager challenging the ideas of a top-level manager if the ideas of one helps the organisation and is done in a professional manner (Gray et al. 2003). Pragmatism is therefore seen as a key attribute in the Australian style of management whereby getting the job done quickly is more important than the niceties of protocol and hierarchy.

In Mongolian society however, the hierarchical system is employed and this is evident in the organisational structure and processes whereby a top-down

approach to management is preferred (Gray et al. 2003). Therefore it is important to identify the decision maker when negotiations for business projects are being done as decisions made by lower-level managers in Australia may often be made by top executives in Mongolian organisations. This tends to slow the progress and cause delays in negotiations (Pagvajavun 2006).

It is also important when doing business projects in Mongolia to pay attention to titles and ranking within an organisation in Mongolia as to identify who is in charge of the decision making as well as to not disrespect the hierarchy system that is in place (Dashnyam 2003). The Mongolian business culture is dominated by men as is in most developing countries, although the number of women holding high executive positions is increasing at a steady rate, particularly in foreign companies.

The same is almost similar in Australia which has a high working population of women albeit in lower paying jobs although it is not uncommon to see women holding high managerial positions compared to other industrialised nations (Gray et al. 2003). This would bode well for women looking to work in Mongolia knowing that progress regarding gender equality is being made. Australians and Mongolians share a similar culture towards their business dress sense whereby a formal tie and jacket is required whereas women wear business suits with a skirt or trousers.

It is viewed in impression counts if the company wishes to be taken seriously by Mongolian businessmen and women (Dashnyam 2003). The most obvious cultural difference between Australia and Mongolia is the language barrier.

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Australia's primary spoken and written language is English whereas 90% of Mongolians converse in Khalkha Mongolian and write in the Cyrillic alphabet.

English however is being taught as the second language with the goal of improving communication with Western countries as well as to increase the level of foreign businesses investing in Mongolia (Dashnyam 2003). Most businesses in Mongolia however have at least one person who can speak and translate in English in order to promote foreign trade and investments thereby eliminating the language barrier (PagvaJav-un 2006). Along with that, hotels generally have a list of people that provide interpreting and translation services to assist foreigners during their visit to Mongolia.

Mongolians prefer to meet their clients and future business partners in person before establishing a business relationship, but if not possible, a formal letter or written email in English to set up a potential appointment is expected in advance of a planned visit. Mongolians and Australians share the same culture of a formal greeting with a handshake and direct eye contact and no formal bowing or handing business cards with both hands are required (PagvaJav-un 2006).

Punctuality is considered a virtue when setting up business meetings in Australia and the same is also expected in Mongolia although it is not uncommon for the host to unexpectedly change the time and date of the meeting. A large number of senior business employers have studied abroad and have a Western approach to business and official interactions (Dashnyam 2003). However a good rule of thumb would be to leave a two

hour gap in between appointments to compensate for the delays and transit times.

Australians and Mongolians share a common cultural custom whereby a few minutes of small talk is normally expected before discussing business matters. Topics ranging from sports, the weather, travel and film are most common with the idea of easing into a business conversation and putting the host and client in a relaxed manner before getting own to business (Gray et al. 2003). There is no great tradition of gift giving or entertainment of business clients whilst doing business in Australia, however in Mongolia it is seen as an essential component in establishing a business relationship.

Mongolians generally prefer to be invited out to lunch or dinner to get to know their overseas contacts in an informal atmosphere which they feel is a good way to break the ice and start a business relationship (Dashnyam 2003). Business in Australia on the other hand, would most likely not break the ice and cement business relationships through lunch or dinner and would rather invite clients and business partners to a meal or a drink once a firm relationship has been established thereby in no way influencing business decisions (Pagvajav-un 2006).