Cambodia

International Business Etiquette

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I. Introduction, Capital, Ethnicities, Religion, and Language

Cambodia is a country located in Southeast Asia to the southeast of Thailand, South of Laos, northwest of Vietnam, and Northeast of the Gulf of Thailand. Cambodia’s population is about 14.8 million people with the most populous city being Phnom Penh, the capital of Cambodia, with one and a half million people. Ethnically, Cambodia is composed of Khmer’s (90%), Vietnamese (5%), and the other five percent composed of Cham Muslims, Chinese, indigenous groups, and other sparse ethnicities (3). The official language is also the same name as the most populous ethnicity of “Khmer” in which a little over 14 million people speak all throughout Cambodia; however, there are multiple dialects of Khmer which is spoken in different parts of the country. Interestingly, Khmer is the second most spoken Austroasiatic language in the world, second to only Vietnamese (4). Austroasiatic languages are specific to the Southeast Asian region and have two main branches Mon Khmer and Munda with the most spoken languages under each branch being Vietnamese and Khmer, and Santali, respectively (5).

There is a legend of how the City of Phnom Penh became so popular: in 1372, a koi tree was floating down the Tonle Sap river after a storm. Upon discovery “Lady Penh” urgently requested help from local villagers to fetch the tree with ropes (2). Once brought onto shore, Lady Penh discovered four bronze statues of Buddha, and a stone statue of Vishnu hiding within the tree (2). In honor and recognition of these statues, a temple was erected housing the statues on a hill now known as Wat Phnom. This brought much attention as Lady Penh invited many monks to stay and see the statues the temple was honoring. This began the city of Phnom Penh which literally translate to “Penh’s Hill” (2). It was from the attention of this temple that a city grew into the capital which now houses over a million and a half people. It is from this origin that the official religion of Cambodia is Theravada Buddhism (95%), with other practiced religions being Daoism, Confucianism, Cham Muslim, and Christianity (1).

II. Interesting Facts

One interesting fact that people need to know before doing business in Cambodia is that the “sampeah” is often used as a form of greeting, which involves placing one’s hands together in a prayer-like position and bowing. The handshake is becoming more popular as an adaptation to western culture but the sampeah is still the traditional greeting (6). It is a good rule of thumb to respond to the greeting that you are given. Another interesting fact is that during meetings, silence is expected and accepted. In some cases, when they disagree with a statement, they remain silent rather than speak out against what is said (8). An understanding of indirect communicators such as these are important in business meetings in Cambodia, one might have to do some reading between the lines. It is best to double-check for clarity if you do not understand something.

III. Business Appearance

In terms of clothing, the climate of the tropical country is not very suitable for western formal wear, but in strictly formal meetings men are advised to wear a suit and tie while women wear a dress or business suit. In cases that are less formal, business casual can be appropriate (6). In meetings in Cambodia, prolonged eye contact is to be kept at a minimum, especially with women. And as previously mentioned, the sampeah or handshake should be used as a greeting (7).

VI. Business Behavior

Business customs and communication are very strict in Cambodia and they follow important traditions. Business cards are an important gesture in business meetings. They are to be given and received with both hands and studied carefully as a sign of respect, and by doing this it shows that someone is sincerely interested. It is important to treat business cards with respect because the way the card is handled is considered to be indicative of how you will treat the person. The cards should be exchanged after initial introductions and it is best to have one side translated into the official language of Cambodia, Khmer. (8) For extremely important business ventures, potential contacts should have a prior introduction or personal reference such as a letter from a known government official or business contact. Simple gifts are sometimes exchanged after a first meeting, but they are not opened when received. Popular gifts can be fruit, sweets, pastries, or something from the UK; because it is considered “fancier” if it is imported. (6) Business in Cambodia is highly reliant on the hierarchical culture in their society. When meeting in groups, the highest-ranking person is always introduced first, introducing by rank shows your counterpart the group dynamic. Some senior managers in Cambodian companies may have the title ‘Your Excellency’. Personal relationships are the foundation of business relationships in Cambodia, so it is vital to get to know your counterparts very well. Small talk at the beginning of meetings is highly encouraged in this country. Social engagements such as eating help build trust between potential business partners. Fine dining is the perfect way to get do know a counterpart before discussing business plans. (8)

VII. Communication

 Business Communication in Cambodia can be a bit tricky, but with a little bit of practice you should be able to communicate fairly easily. When you are greeting a business official your best bet is to wait for them to initiate with a handshake or “Sampeah”. Typically, Cambodian business officials are more receptive to someone who presents themselves with a known business partner or government logo. However, when greeting a woman, Sampeah is more common unless she offers her hand for a handshake. When meeting a woman, it is evident that you do not hold eye contact for too long as the meaning can be taken the wrong way. In a group meeting it is important that you introduce yourselves in the form of rank so that the people you are doing business with know who ranks higher than others. Lastly, showing emotions during a meeting is considered to be a negative behavior. Anger, impatience, or frustration shall be kept to oneself by hiding the feelings. Otherwise, can lead to a loss of face.

VIII. Interesting facts in a business setting

 Non-verbal behavior is just as important to be aware of. For example, smiling in Cambodia is situational and can have many meanings; it may mean a person does not understand what has been said, they are nervous or even irritated. The reason this is the most interesting fact is because it is an entirely different meaning in America. In America, a smile is perceived as welcoming and accepting. Typically, when someone is smiling it means they are enjoying and agreeing with what they are hearing.

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