



# Czech Republic

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## *cultural note*

The Czech Republic has undergone two radical but nonviolent changes in recent years: the “Velvet Revolution” that removed the U.S.S.R.-backed Communists from power and the peaceful separation of Czechoslovakia into two independent nations, the Czech and Slovak Republics. Even at their most angry moment, when protesters jammed Prague’s Wenceslas Square demanding the removal of the Communists, the protesters admonished one another not to trample on the flower beds!

## Country Background

### History

The Czech Republic represents the westernmost migration of Slavic tribes into Europe. During the fifth century A.D., these tribes arrived in what would eventually become Czechoslovakia. Two distinct Slavic groups emerged: the Czechs, who settled in the west, and the Slovenes (or Slovaks), who took the east. By 900 A.D. the Slovak tribes were conquered by the Magyars (Hungarians), who formed the shortlived Great Moravian Empire. In the west, the city of Prague was developing into one of the most important cultural and political centers of the Holy Roman Empire. In the fifteenth century, Prague became a focal point for the Protestant Reformation. Protestant leader Jan Hus, burned at the stake in 1415, is still a national hero to the Czechs. But the Battle on the White Mountain in 1620 put an end to Czech resistance, and both Czechs and Slovaks came to be ruled by the Austrian Hapsburg dynasty until the twentieth century.

While all of Czechoslovakia spent centuries under the control of the AustroHungarian Empire, these two ethnic areas developed independently. The western Czech provinces (Bohemia and Moravia) were industrialized; they prospered under direct Austrian control. However, the eastern Slovenian lands were run by the Hungarians; Slovenia was deliberately kept agricultural and undeveloped.

After its defeat in World War I, the Austro-Hungarian Empire was broken up into smaller states in accordance with Woodrow Wilson’s principles of self-determination. The Czechs and the Slovenes found themselves lumped together in the newly independent state of Czechoslovakia. The aggressive, educated, and more numerous Czechs quickly took charge, and the Slovenes felt excluded from their own government. The existence of other minorities within the Czechoslovakian borders, notably the ethnic Germans in the Sudetenland, also caused friction. Nevertheless, Czechoslovakia managed to remain a democracy until it was overrun by Nazi Germany in 1938-1939.

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During World War II, the Czech areas were kept under direct German control, but the Slovene territory was allowed to become a pro-German Slovak Republic from 1939 to 1945. Its collaborationist president was the Catholic Monsignor Josef Tiso, and he attempted to run an anti-Semitic, theocratic "parish republic". The minor differences between the Czech and Slovak languages were emphasized, and Tiso presented himself as a defender of Slovak Catholicism against the secular decadence of the Czechs.

This heritage of distrust between Czechs and Slovaks is one of the greatest problems facing the new republics today. While the Protestant Jan Hus is a hero to Czechs but not to the Catholic Slovenes, the Slovaks still admire Msgr. Tiso, whom the Czechs feel was justly executed as a war criminal in 1947.

Liberated by the Red Army in 1945, Czechoslovakia became a Soviet satellite. Despite repressive measures, the Communist leadership in Prague was unable to keep protests from periodically erupting, notably in 1968 and 1977. The Warsaw Pact invasion that put down the 1968 "Prague Spring" embittered the Czechoslovaks against everything to do with the U.S.S.R., including the Russian language (the mandatory foreign language taught in schools). Finally, the tide of reform that washed over Eastern Europe in 1989 allowed the Czechoslovak people to elect a truly popular, non-Communist government. Czechoslovakia became a parliamentary democracy and remained so until 1992, when political and social events resulted initially in the establishment of a multiparty republic of two equal states, and eventually in two separate countries - the Czech and Slovak Republics.

As an independent state, the new Czech Republic came into being on January 1, 1993.

### Type of Government

The new Czech Republic is a multiparty parliamentary democracy. The president is the chief of state - a largely ceremonial office. The prime minister is the head of the government. Parliamentary procedure is in a state of flux, but the parliament has been meeting as two separate houses, an upper Senate and a lower House.

### Language

The official language is Czech, which is a West Slavic language related to Polish. Although the Czechs and the Slovaks have gone to great lengths to differentiate their languages, the Czech and Slovak languages are actually quite similar and are mutually intelligible.

### Education

The populace is well-educated, with a 99 percent literacy rate. Emphasis has been placed on scientific research, and the educated elite is the equal of any in the world.

### Religion

As religion was actively discouraged under the former Communist regime, the numbers of worshipers is now in flux. Roman Catholics and various forms of Protestants predominate, although a significant number of Czech are atheists.

## Demographics

The ten million inhabitants of the Czech Republic are primarily Czech (94 percent), although there are some Slovaks (4 percent) and Gypsies (2 percent).

## Cultural Orientation

### Cognitive Styles: How Czechs Organize and Process Information

The Czechs have always been open to information on most issues. They tend to be more analytic than associative, but they value relationships more than obedience to abstract rules of behavior.

### Negotiation Strategies: What Czechs Accept as Evidence

Czechs find truth through a mixture of subjective feelings and objective facts. Their faith in the ideologies of humanitarianism and democracy will influence the truth in nearly every situation.

### Value Systems: The Basis for Behavior

The amicable separation of Czechoslovakia into the Czech and Slovak Republic is an example of the humanitarian value systems of both cultures. The following three sections identify the Value Systems in the predominant culture - their methods of dividing right from wrong, good from evil, and so forth.

#### Locus of Decision Making

The responsibility for decision making rests on the shoulders of the individual. Individualism has always been encouraged, and individual achievement is more important than family in determining status. Czechs feel that they have a right to a private life; their friends are few and specific to their needs. Czechs feel that the same values should apply to all members of their culture.

#### Sources of Anxiety Reduction

With the demise of Communist rule, the guarantee of full employment ended. This produces considerable day-to-day anxiety. Although the traditional role of the family as the basic educating and socializing unit has been weakened, the family unit is still recognized as a stabilizing force. The Church seems to be regaining its influence on family life and social structure, and with this comes more security for both the individual and the family.

#### Issues of Equality / Inequality

The homogeneity of the Czech culture has eliminated most of the ethnic bias that existed before the breakup of Czechoslovakia. There is keen competition for status, but when one is recognized for one's accomplishments, one gains prominence among equals. The desire for power may undercut the humanitarian need for equality. This drive for power can yield strong, hierarchical structures in government, business, and society.

The husband is the titular head of the home. However, since most women work outside the home, husbands take some responsibility for raising the children.

Women have complete legal, political, social, and economic equality with men.

## Business Practices

### Appointments



#### *punctuality*

- Punctuality is important; be on time for business and social engagements.
- Remember that many Europeans and South Americans write the day first, then the month, then the year (e.g. December 3, 1999, is written 3.12.99). This is the case in the Czech Republic.
- For many years, Russian was the foreign language most frequently studied in schools. Since the Velvet Revolution of 1989, Western languages like English and German have become the most popular. Expect to hire a translator; most people old enough to be in positions of business authority will not have studied English.
- Appointments should be made well in advance. Allow two weeks' notice for an appointment made by telephone or telex. Give a full month for appointments made by mail, as even air mail letters may take a week to be delivered.
- Business letters may be written in English, although your counterpart will be favorably impressed if you take the trouble to translate the letter into Czech.
- It is generally advisable to address letters to a business rather than to an individual executive.
- As the business day begins early and ends in mid-afternoon, expect to schedule your appointments between 9:00 A.m. and 12 noon or between 1:00 and 3:00 P.m.
- Most Czechs receive four weeks of vacation per year. The traditional vacation time runs from mid-July to mid-August, so do not expect to be able to conduct business during this period.
- Business hours are 8:00 or 8:30 A.M. to 4:00 or 5:15 P.m., Monday through Friday.
- Store hours are 8:00 or 9:00 A.M. to 5:00 or 6:00 P.m., Monday through Friday. Some establishments will be open on Saturdays until noon. Small shops may close for lunch from noon to 2:00 P.m.



#### Negotiating

- Expect the decision-making process to operate at a slower pace than in the United States
- Many Czechs have adopted the German propensity for slow, methodical planning. Every aspect of the deal you propose will be pored over by many executives. Do not anticipate being able to speed up this process.
- Only a few entrepreneurs are ready to move more quickly. However, you should move cautiously with the ones who offer you a partnership, as you will be the one putting hard currency into the enterprise.

- The radical alteration of business laws has resulted in a tangle of regulation. Don't depend on your joint-venture partner to understand the law. Hire a Czech business lawyer.
- While Czechs are known for their hospitality, they may take a lot of time to establish a close business relationship. Keep in mind that their contact with foreigners was restricted until recently.

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- Executives usually understand enough English to decipher a business card, so it is not necessary to have your card translated. However, it is preferable to have promotional materials and instruction manuals translated into Czech.
  - Bring plenty of cards; quite a few Czechs may wish to exchange business cards with you.
  - If your company has been around for many years, the date of its founding should be on your business card.
  - Since education is highly respected, be sure to include any degree above the bachelor's level on your card.
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- Do not get down to business too quickly. Czechs typically converse before talking business. Expect to be asked about your flight, your accommodations, where you are from in America, your impressions of the country, and so forth.
  - Your counterparts may not mind asking or being asked personal questions. You will want to ask about an executive's family. Part of establishing a relationship is expressing an interest in each other's family, although it may be a long time before you actually meet any of them.
  - While political discussions cannot be avoided, don't ask embarrassing political questions. Many of the people with enough money to conduct business are former Communists or black marketeers. Also do your best to avoid siding with Czechs against Slovaks, or vice versa.
  - Czechs tend to be well informed about politics and to have firm political opinions. They are also honest, and may tell you their opinions. While they dislike what Communism has done to their country, they may not be as approving of the West as you might expect.
  - Sports are a good topic for conversation; soccer, ice hockey, hiking, and cycling are popular sports. Music is a good topic as well.
  - The Czechs also make some excellent beers. The pilsner style of beer was developed here. The town of Budweis (now renamed Ceské Budějovice), after which "Budweiser" was named is in the Czech Republic. A beer drinker will be happy to explain about Czech beer.
  - Coffee is usually served during business meetings. Taste it before you add sugar; it may already be sweetened. The coffee is Turkish, and will probably have grounds at the bottom.



### Business Entertaining

- Historically, business meetings have been confined to offices. Business lunches were rare; the only meal one shared with a business associate was a celebratory dinner. However, this segregation was due in part to restrictive government regulations - fraternization with Westerners was actively discouraged. Czechs are becoming more accustomed to Western business practices, including business lunches.
- Breakfast meetings are uncommon in the Czech Republic. However, business lunches are becoming popular.
- At a business luncheon, be aware that business may be discussed before and (sometimes) after the meal, but rarely during the meal itself. If you are invited out to a luncheon, you may offer to pay, but expect your host to decline your offer. Insist on paying only when you have made the invitation.
- The few restaurants tend to be very busy. Always make a reservation. It may be easier to ask your counterpart to choose a restaurant; just make sure to explain that you intend to pay for the meal.
- Do not anticipate good service in all restaurants; many were recently Communist-run, and the staff got the same pay no matter how busy they were. Additional customers were simply an inconvenience. These attitudes take time to change.
- Because of the lack of good restaurants, you may be invited to eat lunch in the company cafeteria.
- Czechs do not often entertain business associates in their homes. If you are invited into a home, consider it a great honor. Do not be surprised if the living quarters are very crowded.
- A host will invite you to eat additional portions. It is traditional to tum down the first invitation.
- When eating, always use utensils; very few items are eaten with the hands. Place your utensils together on one side of the plate when you have finished eating. If you just wish to pause between courses, cross your utensils on the plate.

## Time

- The Czech Republic is one hour ahead of Greenwich Mean Time (G.M.T. + 1), or six hours ahead of U.S. Eastern Standard Time (E.S.T. + 6).

## Protocol



### Greetings

- Always shake hands, firmly but briefly, when introduced. When introduced to a Czech woman or an elderly person, wait to see if he or she extends a hand before offering to shake.
- In formal social situations, older men may kiss the hand of a woman in greeting. However, foreigners are not expected to kiss hands.
- In both business and social situations, always shake hands upon arriving and upon departing from any meeting.

- When several people are being introduced, take turns shaking hands. It is impolite to reach over someone else's handshake.
- Never keep your left hand in your pocket while shaking hands with your right.
- In formal situations, it is better to be introduced by a third person than to introduce yourself. However, in informal situations, it is appropriate to introduce yourself.
- When you are the third person making an introduction between two parties, give the name of the younger (or lower-ranking) person first.



### Titles / Forms of Address

- The order of names is the same as in the United States: The first name is followed by the surname.
- Traditionally, only family members and close friends address each other by their first names. While young people are using first names more frequently, most business people you meet will prefer to be called by their title or surname.
- The decision to address each other by first names is arrived at by mutual consent.
- When speaking to persons who do not have professional titles, use Mr., Mrs., or Miss and the surname:
  - Mr. = Pan (pronounced „Pahn”)
  - Mrs. (or Ms.) = Pani (“PAH-nee”)
  - Miss = Slecna (“SLEH-chnah”)
- It is important to use professional titles. Attorneys, architects, engineers, and other professionals will expect you to address them as *Pan* or *Pani plus fife*. This goes for anyone with a Ph.D. as well.



### Gestures

- To get someone's attention, raise your hand, palm facing out, with only the index finger extended. Avoid waving or beckoning.
- When sitting, cross one knee over the other, rather than resting your ankle on the other knee. Do not prop your feet up on anything other than a footstool.
- The eldest or highest-ranking person enters a room first. If their age and status are the same, men enter before women.
- When a man and a woman walk down a street, the man walks closest to the curb. On a path or a corridor, the man walks on the woman's left. When there are three people, a sole man walks between the women; a sole woman walks between the men. If two women are walking together, the younger woman should walk on the curb side (or on the left).
- Don't talk to someone with your hands in your pockets or while chewing gum.



### Gifts

- Under the Communist regime, the frequent shortages made gift giving simple: You gave whatever was in short supply in Czechoslovakia. Now that most consumer items are freely available (albeit expensive), gift giving is more of a problem.
- By and large, businessmen do not give or expect to receive expensive gifts. A gift should be of good quality, but not exorbitantly expensive.
- Appropriate gifts include good-quality pens, pocket calculators, cigarette lighters, and imported wine or liquor, especially scotch, bourbon or cognac.
- When invited to dinner at a Czech home, bring a bouquet of unwrapped flowers (if you can find some) for your hostess. The bouquet should have an uneven number of flowers, but not thirteen. Red roses are reserved for romantic situations, and calla lilies are for funerals.



## Dress

- Business dress tends to be conservative. Of course, under the former regime the selection of clothing was very limited. You may encounter business people who celebrate their newfound freedom by dressing in trendy European styles.
- Generally, businessmen wear dark suits, ties, and white shirts. Businesswomen also dress conservatively, in dark suits or dresses and white blouses.
- Follow the lead of your colleagues with regard to removing jackets or ties in hot weather. The more formal executives may remain fully dressed in sweltering heat.
- Business wear is also appropriate for most formal social events: parties, dinners, and the theater.
- Formal wear is expected for the opening night of an opera, concert, or play. Men are expected to wear their best dark suit or tuxedo, and women a long evening gown. Virtually every Czech institution, including business associations and libraries, hosts a formal ball sometime during February, and formal wear is required for them.
- Casual wear is essentially the same as in the United States. Jeans are ubiquitous, but they should not be worn, torn, or dirty.