



# India

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## *cultural note*

among Indians, a side-to-side toss of one's head indicates agreement, although Westerners may interpret it as meaning "no." Watch carefully; the Indian head toss is not quite the same as the Western negative nod (which leads with the law).

On the other hand, the North American up-and-down head nod (used to signify "yes") has the meaning of "no" in India.

## Country Background

### History

The Indian subcontinent has been home to advanced civilizations since before recorded history. It has also known its share of invaders. The Aryans (predecessors of the Hindus) conquered most of the subcontinent before 1500 B.C. The Muslim Moghuls ruled much of India until the advent of the European invaders. The Portuguese first arrived in 1489. French, Dutch, and English traders followed. The British East India Company became ascendant, essentially ruling India from 1760 to 1858, when India was formally transferred to the British Crown.

After long years of struggle against British rule, India became an independent country on August 15, 1947.

When the British left in 1947, British India was partitioned into primarily Hindu India and mostly Muslim Pakistan. The centuries-old antagonism between Hindus and Muslims has erupted into open warfare between India and Pakistan three times since independence.

### Type of Government

The Republic of India is a multiparty federal republic. The head of government is the prime minister, while the president is the chief of state. There are two multiparty legislative houses. The Council of States has a maximum of 250 seats; the House of the People has 545.

In the 1920s, Mahatma Gandhi made the Indian National Congress into India's leading political force. Its successor, the Congress Party, has ruled India for most of the years since independence.

India's first Prime Minister was Mahatma Gandhi's compatriot Jawaharlal Nehru. Power remained with the Congress Party until 1977, when Prime Minister Indira Gandhi (Nehru's daughter) was voted out of office. Janata Party leader Morarji Desai became

prime minister, but his Janata coalition broke up in 1979. An interim government called new elections, and Indira Gandhi returned to power in 1980. She was assassinated by her own Sikh bodyguards in 1984, and was succeeded by her son, Rajiv Gandhi. He attempted to steer the country toward a more market-oriented economy, but was defeated in the 1989 elections by another Janata coalition, and Vishwanath Pratap Singh became prime minister.

V P. Singh's minority government's most serious crisis resulted from its determination to reserve some 49 percent of government jobs for lower castes (which make up 54 percent of India's 890 million people). Insurgencies in Punjab, Kashmir, and Assam further weakened the government. The Singh government fell in November 1990.

Rajiv Gandhi was assassinated during the elections of May 1991.

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the current leadership of India is implementing sweeping changes to encourage international business in India, from privatization to the liberalization of trade.

## Language

More than fourteen major and three hundred minor languages are spoken in India. English is widely used, especially by businessmen, industrialists, politicians, and educators. The official languages of India are English and Hindi.

## Religion

Religion plays a major role in the daily lives of most Indians, and two of the world's great religions-Buddhism and Hinduism-were born here. Although 83 percent of the people are Hindu, India also has one of the world's largest Muslim populations. Other major religions include Christianity, Sikhism, and Jainism. The Republic of India has no official religion.

The origins of the caste system are unclear, but it has existed in India for thousands of years. Even though discrimination on the basis of caste has been outlawed by the government, caste still plays a significant role in the politics and business of the country. Although there are only four traditional castes, these are broken down into thousands of subcastes.

## Demographics

India's population is some 890 million people. One-sixth of the world's population calls India home. India is primarily rural, with 80 percent of the people living in more than 550,000 villages.

## Cultural Orientation

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

In India information is accepted openly as long as it does not challenge religious and social structures. Because of rote learning and tradition, most thinking is associative. However, better-educated Indians are more abstractive and analytical. Although universal rules of behavior exist within the social structure, immediate situations and people are of major concern, but always within the constructs of the caste system.

## Negotiation Strategies: What Indians Accept as Evidence

Personal feelings form the basis for the truth, but a strong faith in religious ideologies is always present. The use of objective facts is less persuasive than a combination of feelings and faith.

## Value Systems: The Basis for Behavior

India has a very strong attachment to the caste system, with all of its social structure and liabilities. The following three sections identify the Value Systems in the predominant culture-their mode of dividing right from wrong, good from evil, and so forth.

### Locus of Decision Making

India is a moderately collectivistic culture in which an individual's decisions must be in harmony with the family, group, and social structure. Success and failure are often attributed to environmental factors. Friendships and kinships are more important than expertise, although diplomas and certificates are coveted. One must build a relationship with other participants in the negotiation process by discussing friends and family. Indians are generally too polite to say "no."

### Sources of Anxiety Reduction

With such a strong social structure, there is little anxiety about life because one knows and accepts one's place in the society or organization. Behaviors contrary to religious traditions are not tolerated. There is a strong sense of what Westerners call fatalism, so time is not a major source of anxiety, and passivity is a virtue. Emotions can be shown, and assertiveness is expected.

### Issues of Equality/Inequality

There is a very rigid structure of inequality, even though there is equality under the law (seldom enforced). The belief that there are qualitative differences between the castes is ingrained. Traditional male chauvinism is strong, and women have few privileges. The abundant sexual symbols in society do not translate into an acceptance of public intimacy.

## Business Practices

### Appointments



#### *punctuality*

- Indians appreciate punctuality but don't always practice it themselves. Keep your schedule loose enough for last-minute rescheduling of meetings.
- Request appointments by letter about two months before arriving in India. Mail to and from India can be very slow, and many Indian companies do not have telexes. The notoriously unreliable Indian phone service makes fax service problematical.
- When making business contacts, go straight to the top of the company, as all decisions are made at this level. Be prepared to establish a close personal relationship based on mutual respect and confidence.

- Although they usually do not make decisions, middle managers do have input. A middle manager on your side can forward your proposal. Often they are more accessible, and they are willing to meet at any time of the day.
- Indian executives prefer late morning or early afternoon appointments, between 11:00 A.m. and 4:00 P.m.
- Business hours: 9:30 A.M. to 5:00 P.m., Monday through Friday (lunch is usually from 1:00 to 2:00 P.M.).
- Government office hours: 10:00 A.M. to 5:00 P.m., Monday through Saturday (closed for lunch from 1:00 to 2:00 P.m.). Note that government offices are closed the second Saturday of each month.
- The best time of year to visit India is between October and March, bypassing the seasons of extreme heat and monsoons.
- Business is not conducted during religious holidays, which are numerous. Different holidays are observed throughout the many regions and states of India. As dates for these holidays change from year to year, check with the Indian Tourist Office, Consulate, or Embassy before scheduling your visit. (See "Contacts and Holidays.")



## Negotiating

- Indians have a less hurried attitude toward time than North Americans. The concept "time is money" is alien to most Indians.
- While you should get sound legal and tax advice before negotiating any agreement, it is important to be flexible and not appear too legalistic during negotiations.
- Be prepared to offer competitive technology packages with close technical follow-up. The technical assistance you can provide and how well you can train your client's employees will be critical factors in the decision.
- Expect delays; they are inevitable. The Indian government moves at its own pace, and communication within India is often difficult. Be patient, and make a realistic assessment of the steps and time involved in finalizing any agreements.
- Always present your business card. It is not necessary to have it translated into an Indian language.
- Business in India is highly personal. It is also conducted at a much more leisurely pace than in the United States. A great amount of hospitality is associated with doing business. Tea and small talk are preludes to most business discussions.
- When refreshments are offered, it is customary to refuse the first offer, but to accept the second or third. To refuse any refreshment is an insult. Drink slowly if you wish to limit your intake of the sugary, milky Indian tea.
- The word "no" has harsh implications in India. Evasive refusals are more common, and are considered more polite. Never directly refuse an invitation, just be vague and avoid a time commitment. "I'll try" is an acceptable refusal.

### *cultural note*

in a monetary transaction, your change is simply placed in your hand, without explanation of the amount. Very often, if you remain standing with your hand outstretched, you will receive more change.

Keep lots of small change on hand, as street merchants and taxi drivers often claim they do not have change.



## Business Entertaining

- Business lunches are preferred to dinners.
- Remember that Hindus do not eat beef and Muslims do not eat pork.
- Businesswomen may entertain Indian businessmen at a meal without causing awkwardness or embarrassment to the men, although the men may try to pay for the meal.
- If you are invited to dinner, be a few minutes late unless it is an official function. If the dinner is in a home, you may arrive fifteen to thirty minutes late.
- Eat only with the right hand, as the left hand is used for hygienic purposes and is considered unclean. (However, it is permissible to pass dishes with the left hand.)
- Touching a communal dish with your hands may cause fellow diners to avoid it.
- Never offer another person (even a spouse) food from your plate, as it is considered "polluted" as soon as it is placed on your plate.
- Washing your hands both before and after a meal is important. In Hindu homes, you are expected to rinse your mouth out as well.
- Do not thank your hosts at the end of a meal. Saying "thank you" for a meal is insulting because the thanks are considered a form of payment. Returning the meal by inviting your hosts to dinner shows that you value the relationship.

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tipping in India is more than just a reward for good service; it is often the way to ensure that things get done. The term *baksheesh* encompasses both these meanings. judicious (and discreet) use of *baksheesh* will often open closed doors, such as getting a seat on a "sold out" train.

### Time

- India is five and one-half hours ahead of Greenwich Mean Time (G.M.T. + 5 1/2), or ten and one-half hours ahead of Eastern Standard Time (E.S.T. + 10 1/2 hours),

### *cultural note*

giving money to a beggar will result in your being besieged by dozens of them. Avoid even making eye contact.

When walking past an Indian temple, keep your hands in your pockets. If your hand is free, a stranger may offer to shake your hand. They are often street merchants who quickly slap a temple bracelet on your outstretched arm. Then you are expected to pay for the bracelet.

## Protocol



### Greetings

- In large cities, men and very Westernized Indian women will offer to shake hands with foreign men and sometimes with foreign women. Western women should not initiate handshaking with Indian men.
- There are numerous ethnic, linguistic, and religious groups in India, each with its own traditions.
- The majority of Indians are Hindu. Most Hindus avoid public contact between men and women. Men may shake hands with men, and women with women, but only Westernized Hindus will shake hands with the opposite sex.
- A minority of Indians are Muslim. Traditionally, there is no physical contact between Muslim men and women. Indeed, if a religious Muslim male is touched by a woman, he must ritually cleanse himself before he prays again. Because of this, women should not offer to shake hands with Muslim men (nor should men offer to shake hands with Muslim women). Of course, if a Westernized Indian offers to shake hands, do so.
- Other Indian religious groups, such as Sikhs and Christians, also avoid public contact between the sexes.
- The traditional Indian greeting is the *namaste*. To perform the *namaste*, hold the palms of your hands together (as if praying) below the chin, nod or bow slightly, and say *namaste* (nah-mas-tay). This greeting is useful for foreigners in any situation where a handshake might not be acceptable. It is a good alternative to a handshake when a Western businesswoman greets an Indian man. Indians of all ethnic groups disapprove of public displays of affection between people of the opposite sex. Do not touch (except in handshaking), hug, or kiss in greeting.



### Titles / Forms of Address

- Titles are highly valued by Indians. Always use professional titles, such as Professor and Doctor. Don't address someone by his or her first name unless you are asked to or you are close friends; use Mr., Mrs., or Miss.
- Status is determined by age, university degrees, caste, and profession. Occupationally, government service is far more prestigious than private business.
- Traditionally, Hindus did not have family surnames. A Hindu Indian male used the initial of his father's name first, followed by his own personal name. For example, V. Thiruselvan is "Thiruselvan, son of 'V'" For legal purposes, both names would be written out with an "s/o" (for "son of") between the names: Thiruselvan s/o Vijay. In either case, he would be known as Mr. Thiruselvan. However, long Indian names are often shortened. He may prefer to be called either Mr. Thiru or Mr. Selvan.
- Hindu female names follow the same pattern: father's initial plus personal name. When fully written out, "d/o" (for "daughter of") is used instead of "s/o." When an Indian woman marries, she usually ceases to use her father's initial; instead, she follows her personal name with her husband's name. For instance, when S. Kamala (female) marries V Thiru (male), she will go by Mrs. Kamala Thiru.

- Some Indians will use Western-style surnames. Christian Indians may have Biblical surnames like Abraham or Jacob. Indians from the former Portuguese colony of Goa may have surnames of Portuguese origin, such as Rozario or DeSilva. Such a person could be addressed as Dr. Jacob or Mr. DeSilva.
- Muslim names are usually derived from Arabic. Generally, a Muslim is known by a given name plus *bin* ("son of") plus their father's name. For example, Osman bin Ali is "Osman, son of Ali." He would properly be called Mr. Osman, not Mr. Ali-Mr. Ali would be Osman's father.
- A Muslim woman is known by her given name plus *binti* ("daughter of") plus her father's name. For example, Khadijah binti Fauzi is "Khadijah, daughter of *Fauzi*." She would be known as Miss Khadijah or, if married, as Mrs. Khadijah. For business purposes, some Indian women attach their husband's name. Thus, if Khadijah was married to Osman, she might choose to be known as Mrs. Khadijah Osman. Note that in English, *binti* may also be spelled *binte*.
- Some Westernized Indians drop the *bin* or *binti* from their name.
- A Muslim male who has completed his pilgrimage to Mecca is addressed as *Haji*. A woman who has done so would be addressed as *Hajah*. Note that these titles are not automatically conferred on spouses; they must be individually earned by making the pilgrimage. However, when in doubt, err on the side of generosity. It is better to give a superfluous title than to omit one.
- Indian Sikhs have a given name followed by either *Singh* (for men) or *Kaur* (for women). Always address them by a title and first name. To refer to a Sikh male as Mr. Singh is as meaningless as saying Mr. Man in English.



## Gestures

- The head is considered the seat of the soul by many Indians. Never touch someone else's head, not even to pat the hair of a child.
- As in much of the world, to beckon someone, you hold your hand out, palm downward, and make a scooping motion with the fingers. Beckoning someone with the palm up and wagging one finger, as in the United States, can be construed as an insult.
- Standing tall with your hands on your hips-the "arms akimbo" position- will be interpreted as an angry, aggressive posture.
- The comfortable standing distance between two people in India varies with the culture. In general, Hindu Indians tend to stand about 3 or 3 1/2 feet apart.
- Pointing with a finger is rude; Indians point with the chin.
- Whistling under any circumstances is considered impolite.
- Winking may be misinterpreted as either an insult or a sexual proposition.
- The grasping of one's ears by an Indian designates sincerity or repentance. Ears are considered sacred appendages; to pull or box someone's ears is a great insult.
- Never point your feet at a person. Feet are considered unclean. If your shoes or feet touch another person, apologize.



## Gifts

- Gifts are not opened in the presence of the giver. If you receive a wrapped gift, set it aside until the giver leaves.
- If you are invited to an Indian's home for dinner, bring a small gift of chocolates or flowers. Don't give frangipani blossoms, however, as they are associated with funerals.
- Don't wrap gifts in black or white, which are considered unlucky colors; green, red, and yellow are lucky colors.
- If you know that your Indian counterpart drinks alcohol, bring imported whiskey. The 27 percent tax can be avoided by purchasing the liquor on the airline or at the duty-free shop before arriving.
- Muslims consider dogs unclean. Do not give toy dogs or gifts with pictures of dogs to Indian Muslims.
- Should you give money to an Indian, make sure it is an odd number. Usually this is done by adding a single dollar; for example, give \$11 instead of \$10.

### *cultural note*

observant Hindus do not eat beef or use products made from cattle. This eliminates most leather products as gifts.



## Dress

- For business dress, men should wear a suit and tie, although the jacket may be removed in the summer. Businesswomen should wear conservative dresses or pantsuits.
- For casual wear, short-sleeved shirts and long trousers are preferred for men; shorts are acceptable only while jogging. Women must keep their upper arms, chest, back, and legs covered at all times. Women who jog should wear long pants.
- Note that wearing leather (including belts, handbags, or purses) may be considered offensive, especially in temples. Hindus revere cows, and do not use leather products.