

## Denmark Business Culture Report

This report is designed to support and complement existing cultural information available through the UKTI posts in Denmark (see [www.uktradeinvest.gov.uk](http://www.uktradeinvest.gov.uk)). It adds value in that it provides evidence and information from discussions and interviews with those 'out in the field' with regard to Danish business culture. Its primary purpose is to help better prepare UK businesses for approaching the Danish market for the first time.



The information contained in this report is based on a number of sources, including the UKTI Denmark culture workshop in November 2007 in Cambridge, discussions with both English, Danish & Swedish businesses and business support agencies in Denmark, and information supplied by the life sciences employer federation the Medicon Valley Alliance, based in Copenhagen.

The opening of the Øresund bridge has made a huge impact on trade between Eastern Denmark & southern Sweden. There is a regular flow of commuter traffic from Denmark to Sweden and vice-versa, and the bridge has particularly had an impact on the life science sector which has seen the development of a huge cluster now known as the 'Medicon Valley.' Generally speaking, Danish business culture is a close fit to UK business culture, and from a communications perspective many UK companies have commented on how easy it is to do business with Denmark because of both the overall high level of English language skills and the compatibility of the two business cultures.

The business culture of Denmark is that of a small country networking with a much larger world. As such there are a large number of SMEs (particularly the 'S' of 'SME') across the country, unlike Sweden, where there are many larger multinationals. A small organisation culture therefore prevails. Share associations were initiated in 1866 which encourage cooperative-type business where small companies joined forces to act as larger organisations, and for this reason Danes continue to value networking arrangements.



Danes value a win-win approach to commercial dealings. Many ask how Denmark, which possesses little in the way of natural resources, can manage to become such a wealthy country, and the answer lies primarily in the country's emphasis on trade, knowledge & creativity.

Danes base much of their business dealings on "respect of the individual," with an emphasis on being friendly, open-minded and sensitive. There is a very low degree of hierarchy, and it is important not to underestimate the power of the position of project manager. They are also 'no nonsense' and tend to get straight to the point. An honest approach to business is appreciated, as is a sense of what is realistically achievable. Danes are open negotiators and treat each other, even within an organisation, as equal partners.



Danish businesses generally do not like demonstrations of lack of respect and activity which is not sustainable. They tend to avoid win-lose relationships, even if intended for longer-term gain, and prefer to focus on win-win solutions. Danes are turned off by overselling or aggressive negotiating tactics, and do not react well to any form of arrogance. They are sceptical of any salesperson who lays too much claim on the superiority of their product, and as such 'great pretenders' tend not to get very far. In negotiations Danish businesses can also be hard bargainers, despite their honest & friendly approach. They are usually well prepared and clear about what they want from a business relationship or deal.

In terms of the differences between the business cultures of Denmark and Sweden, the Swedes tend to be more formal and hierarchical. They are also consensus-driven, and once consensus is reached action takes place quickly. Danes, on the other hand, are more of a 'Latin' form of Scandinavia, and can engage in 'everlasting discussions' before a decision is reached. It is also not uncommon for Danish businesses to frequently review the decisions they make.

English is the principal foreign language for international business, so there is no need to have routine correspondence translated into Danish. At the initial stage of the relationship with a Danish commercial partner, trade literature may be presented in English. However, as the contact develops, it will be expected that all trade literature and technical manuals for use in Denmark are translated into Danish.



Danish business people may appear somewhat formal at first, but are likely to show a more informal side of themselves as business progresses. The

dress code sometimes may seem a little too relaxed to an English businessperson; however, they are likely to get down to business early on and are generally conservative and efficient in their approach to business meetings. The UK business visitor should wear a suit if that is usual in the UK organisation, as that is what would be expected. It is not necessary to try and dress down like many Danes. Handshakes (with men and women) are the accepted form of greeting. Danes shake hands both for greetings upon arrival and departure from a meeting.



Virtually all Danish businesspeople have a good working knowledge of English, and interpreters are rarely required. Business gifts are not a normal custom in Denmark. Business entertaining is usually done at lunch, and more rarely at dinner in a restaurant. A businessperson is seldom invited for dinner at the home of a business acquaintance. When doing business in Denmark, it is important to

remember that advance appointments are required, and punctuality is a must; it is considered rude to be late.

Be well prepared for negotiations. Danes are meticulous when it comes to analysing information and proposals. Bring plenty of information in written form for your Danish counterpart to examine. Presentations should be factual and well-organised, and having an eloquent argument will lead nowhere if it is not supported by logical, rational and proven evidence. Being good humoured is acceptable but being humorous should be kept to a minimum.

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