



G20: Turkey

As subscribers to our newsletter will know, we are looking at the G20 group of major economies and this month our attention returns to Turkey. Modern Turkey was founded in 1923 from the Anatolian remnants of the defeated Ottoman Empire by national hero Mustafa Kemal, who was later honoured with the title Atatürk of “Father of the Turks”. Under his leadership, the country adopted wide-ranging social, legal and political reforms.

Turkey’s recent economic growth record, young workforce and geographical location as a prime hub for regional market access make Turkey a hugely attractive destination for exporters. According to HSBC’s ‘The World in 2050’ report, Turkey will be the world’s 12th and Europe’s fourth biggest economy by 2050. Turkey aims to be among the world’s 10 largest economies by 2023, on the 100th anniversary of the foundation of the Republic.

There is a marked difference in terms of development, income and unemployment levels across Turkey; these are prominent between the East and the West of the country. Istanbul is a global city and is, in many respects, ahead of the rest of the country. The modern, westernised cities and towns on the West coast, as well as the newly industrialised centres such as Kayseri and Gaziantep have recorded strong economic growth.

Even though it is secular, Turkey is a Muslim country. It is also a proud nation and its people may strongly reject any criticism of its ways. Turks can be very patriotic and nationalistic, and an excellent way of building relationships with them is to show appreciation for their country and culture and show you understand their long history and unique position bridging Europe and Asia.

Turkish is the country’s official language. Since they respect assertiveness, Turks usually speak in forceful tones, though not over-loudly. Emotions are shown openly. Communication may appear rather vague, especially in the early phases. Gestures and body language may be extensive. Eye contact should be frequent, as this shows sincerity and builds trust. Your Turkish counterparts may become more direct and frank as the relationship strengthens. However, always watch for subtle messages that may signal issues and concerns as they may not be openly stated.

Turks are group oriented. Belonging to a group, maintaining harmony, building lasting and trusting personal relationships are essential prior to closing business deals. Business relations exist between people, not necessarily between companies.

Talking about your friends and family is an important part of establishing a relationship with your Turkish partner. Relationships are based on mutual respect and trust, which can take a long time to establish. Turks usually want to do business only with those they like and trust.

Saving face is essential in Turkey. Avoid causing another embarrassment or to lose face. It’s vital to keep your cool and never show you are upset. Avoid open conflict and remember that politeness is crucial. While Turks are very friendly, they tend to be very proud and may be easily offended.

The respect a person enjoys in Turkey depends on his or her age, status, and rank. There is a deep respect for university degrees. Academic and professional titles are highly valued, so use them when addressing someone who carries one. Introduce and greet older people first, and use a firm handshake.

Turkish organizations generally have a large vertical hierarchical structure. Centralized decision making, autocratic and paternalistic leadership style are the dominant characteristics of Turkish management culture. People in authority consider it an obligation to provide support and protection to those under their care. Subordinates, in turn, reciprocate such care, support and protection of the paternal authority by showing loyalty, deference and compliance to him/her.

Team-oriented leadership is also perceived as the most effective leadership style in Turkey; consistent with the family and group-oriented culture that is dominant in Turkey. Leaders use consultation and diplomacy to hold the team together and create a feeling of belonging to the group.

Decision making can be a slow process in Turkey. Decision makers are usually top executives, who may consult others before making the decision. Decision makers may not delegate their authority so it is important to deal with senior executives. You may have to work your way up, by negotiating with more junior people first. All this takes time, so it is important to plan for it. Turks are often willing to take risks, which are seen as a way to develop self-reliance.

Negotiations can be slow and protracted so be patient. Be prepared to make several trips. Attempts to speed up the process may be seen as offensive. Decisions are usually made between meetings rather than at the table. Should a dispute arise during negotiations, you might be able to resolve it through friendliness, respect and willingness to compromise.

Turkish negotiators rarely share information freely, since they believe that privileged information creates bargaining advantages. Even though they may use a competitive style, they expect long-term benefits and long-term relationships with their negotiating partners. They respect hard bargainers as long as they avoid creating direct conflict. Always consider that negotiating in Turkey may be about aspects such as honour, influence and power as much as financial benefits.

Finally, remember at meetings, Turks are polychromic which means they may jump back and forth between topics. Be patient, avoid getting irritated and summarise frequently to ensure that key information is not lost. Make sure you are clear on your objectives and steer your partners gently without being too rigid about following a fixed agenda.