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## Croatia

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Croatia is located in south-eastern Europe, bordering the Adriatic Sea, between Bosnia and Herzegovina and Slovenia. It has a population of 4.1 million and approximately one quarter live in and around the capital of Zagreb. Many of the 1,200+ islands are sparsely populated.

Croatia is a relatively new nation state (formed in 1991) and was once a part of the former state known as Yugoslavia. Approximately 90.4% of the population identify as Croat, 4.4% as Serbian and 4.4% as another ethnicity (including Bosniak, Hungarian, Slovene, Czech and Roma). Croatia often seeks acknowledgement as a country and culture that is independent from other Eastern European states and their associated cultures.

The majority of the population identify with the Roman Catholic faith (86.3%), 4.4% Orthodox, 1.5% Muslim, 1.5% other and 2.5% unspecified. Religion is rarely discussed in the workplace, but many businesses close for Roman Catholic holidays.

Croatia joined the EU on 1 July 2013 following a decade-long accession process. After a protracted six-year recession, Croatia returned to growth in 2015 and is now in its fourth year of recovery. However, growth remains low and some vulnerabilities need to be addressed. Croatia's economy is dominated by service and industrial sectors and agriculture. Tourism is a significant source of revenue, with Croatia becoming a popular tourist destination.

Croatia is considered a collectivistic society. This is manifest in a close long-term commitment to the member 'group', be that a family, extended family, or work/team relationships. Loyalty in a collectivist culture is paramount, and over-rides most other rules and regulations. The Croatian proverb, 'tko ce kome ako ne svoj svome' ('who will you help if not your own') reflects this.

Croatia has a high preference for avoiding uncertainty. In these cultures there is an emotional need for rules (even if the rules never seem to work), time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted and security is an important element in individual motivation.

It is advisable to learn a few greeting phrases in Croatian just to break the ice at the beginning of the meeting. The basic way of greeting people is by shaking the right hand and saying 'Dobro jutro' (good morning) or 'Dobar dan' (good day/good afternoon). When addressing a man, the correct phrase is 'dobro došao', when addressing a woman use 'dobro došla' and for a group of people or an older person use 'dobro došli'. Irrespective of gender, the host offers their hand first. So, when introducing yourself, use both your first and last names and shake hands. Exchanging business cards is next. Surnames are used until one is invited to use first names.

Meetings are not rigid. While there may be an agenda, it serves more as a guideline for the discussion. The initial meeting is generally scheduled as introductions. It may be between yourself and a middle manager rather than the actual decision maker. Meetings can be quite lengthy and sometimes people will go off on tangents. Small talk prior to a meeting is common and becomes increasingly important as the relationship develops. Jumping straight into business may be interpreted as rude.

In a business context, Croatians take punctuality seriously and expect people to be on time.

It is common for Croatians to speak loudly and be animated in conversations. This is assumed to reflect passion and expressiveness rather than anger. For Croatians, being soft-spoken may be perceived as lacking in confidence. While Croatians tend to possess strong opinions, they are somewhat restrained and contemplative in expressing them. They may choose their words diplomatically and respectfully rather than offer their views forcibly.

Their linguistic skills are considerable. Croatian business people/managers are multi-lingual and the main business languages apart from Croatian are English, German and Italian (used mainly in the coastal areas of Istria). Humour is widely used in conversation. Croatians have a tendency to laugh at difficult situations or at personal flaws.