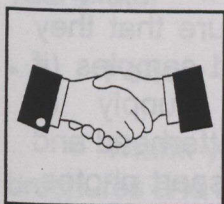


DOING BUSINESS IN MALAYSIA

- ▶ **Doing business in Malaysia requires commitment to a long-term effort. Business is often conducted on the basis of personal relationships or rapport.**
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BUSINESS RELATIONSHIPS



Malaysians tend to be reserved in their initial meetings with foreigners and will not generally offer information or enter into in-depth

discussions. Compared with Westerners, Malaysians adopt a much more consensual approach in group dynamics. The Western readiness to challenge and probe and to "get right down to business" is not the Malaysian style. Instead, it is appropriate to ask about personal interests, family, sports and views on issues of general interest to build rapport. Insistence on receiving an "adequate" response to an unanswered question, no matter how important, will only embarrass a Malaysian, especially if other Malaysians are present.

You do not have to have "all the answers." Honesty about what you do and do not know builds credibility and trust. As a practical matter, avoid being critical of Canada, Canadians or your competitors, as this only serves to undermine your credibility. Canadian visitors who take the time to develop a personal relationship of friendship and

trust with their Malaysian counterparts will find their business dealings to be much more fruitful.

- ▶ **Political issues are highly sensitive and risky, especially since business and politics enjoy closer ties in Malaysia than in many Western countries.**

Malaysians are proud of their democratic values and institutions. Although the government is embarking on an ambitious privatization program, its role in influencing business decisions is still significant. Visitors are not likely to know where particular minefields lie, so it is better to confine questions to general politics.

Singapore's split from the Malay federation in 1965 was peaceful, but sensitivities linger. The two countries cooperate extensively, but there is a strong natural rivalry between them across all sectors of competition, from sports to economic development. Avoid comparisons between Malaysia and Singapore.