Shawna Brooks

MGMT 338G – Week 6 Customs Paper

December 7, 2014

**Business Customs in Brazil**

Every culture is characterized by unique customs and traditions which influence business operations. It is important to consider these customs when planning to conduct business in a culture other than your own. Failing to become familiar with the business customs in other countries could critically harm a business relationship or venture. While Brazil and the United States share a few business customs, it is their difference in key cultural values which results in varying business practices. A comparison of Hofstede’s dimensions of culture as well as the negotiation style and cultural components will identify the differing business customs between the United States and Brazil. The contrast in Hofstede’s dimensions of culture serves as a driving force in the negotiation style and cultural components of each country. A successful business relationship between Brazil and the United States could hinge on the knowledge, understanding and execution of these different customs.

**Hofstede’s Dimensions of Culture**

Power Distance

 Brazil would be classified as a country with high power distance. (Clearly Cultural) This is reflected socially in the significant distinction between social classes. (Kwintessential) It is also apparent in business operations as only persons holding high-ranking positions have the authority to make decisions. (Kwintessential) However, the United States scores lower on the scale for power distance, which means the distinction between high and low level positions may not be as emphasized. Due to these opposing values, an American would need to pay special attention to the hierarchy of leadership in the Brazilian company. It should not be assumed that the person you may interact with has the authority to make decisions. (Kwintessential) This dimension of culture will influence the negotiating style of each county, which will be discussed later.

Individualism

 Brazil and the United States have clashing values when it comes to the cultural dimension of individualism. (Clearly Cultural) Brazil would be classified as a collective culture, where value is realized when the group benefits rather than one individual. (Clearly Cultural) This collectivist view is displayed on the emphasis of a close extended family. (Kwintessential) In contrast, the United States places high value on individualism, where emphasis is on individual accomplishment. (Clearly Cultural) When conducting business in Brazil, a United States colleague should be careful to not appear as self-serving. The business venture should be approached in a way that benefits the group as a whole instead of just one party.

Masculinity

 Brazil and the United States share a more similar view regarding the cultural dimension of masculinity than the other dimensions of Hofstede’s model. (Clearly Cultural) The Brazilian business world is experiencing an increased number of women entering the workforce, and foreign business women can expect to be treated respectfully. (WorldBuisnessCulture) Although the country is making progress on its view of women in the workforce, most top-level positions are held by men. In addition, gender traditions are still carried through such as men paying for a meal and women being complimented on their appearance. (WorldBuisnessCulture) The United States’ view of women in the workforce is slightly more advanced than that of Brazil. In addition to a respectful treatment of working women, top-level positions may be held by women. Furthermore, women are very independent in the United States culture and will likely pay for a meal if she did the inviting. (eDiplomat) This cultural dimension would require the least amount of adjustment by an American. However, American women would want to be considerate if a man offered to pay for a meal or paid her a compliment. On the other hand, American men would need to be modest in their friendliness to Brazilian women due to their aggressive nature. (eDiplomat) It may be commonplace for a Brazilian woman to interpret friendliness for romantic interest.

Uncertainty Avoidance

 Uncertainty Avoidance is yet another cultural dimension where Brazil and the United States have differing values. (Clearly Cultural) Brazil has a fairly high uncertainty avoidance score, which means the culture has a low tolerance of the unknown. (Clearly Cultural) For example, cultures such as Brazil’s would tend to avoid uncertainty by thoroughly researching an option before committing to it. The United States, on the other hand, scores in the mid-range for uncertainty avoidance. (Clearly Cultural) This would indicate that the culture is more tolerant of risk than Brazil, but does take a little caution in making decisions. An American doing business in Brazil would want to eliminate as much risk in the business venture for the Brazilian colleagues.

Long-Term Orientation

 Brazil and the United States place varying degrees of value on the cultural dimension of long-term orientation. Brazil scores in the upper mid-range for long-term orientation. (Clearly Cultural) This means the culture would value persistence and order relationships by status, as well as an avoidance of bring shame to oneself or others. (Clearly Cultural) In contrast, the United States has a low score for long-term orientation, meaning not as much thought is given to the long-term effect of decisions but the present. (Ball, Geringer and McNett 101)

**Negotiation Style**

 The main difference in negotiation style between Brazil and the United States is time. Brazilians like to take the time to build a relationship and review the details of an offer. (Kwintessential) Furthermore, the negotiator may still need to take the offer up a level to the person who has decision-making authority, delaying the process. (Kwintessential) On the other hand, negotiations in the United States tend to be quick and to the point; little effort may be given to relationship building. (eDiplomat) In order to succeed, an American would need to make a conscious effort to be patient during the proceedings and not rush Brazilian colleagues. In addition to taking the time to build a relationship, Americans should also use local lawyers and accountants while conducting negotiations in Brazil as this is something of value in their culture. Finally, Brazilians have a higher concern for the people they negotiate with over the company. Therefore, Americans should be careful to keep their negotiating team static during the process. Changing the team may delay the negotiation as Brazilian colleagues would be inclined to take the time to get to know the new team members. (Kwintessential) The difference in negotiating styles between Brazil and the United States is rooted in the difference of their long-term orientation. The time Brazilians spend on building a relationship and reviewing the details of a negotiation are characteristics of a culture with a long-term orientation.

**Cultural Components**

Business Meetings

 Brazil and the United States have several differences when it comes to business meetings. Brazilians prefer face-to-face meetings as it is important to build a relationship with the person representing a company when conducting business. (Kwintessential) While face-to-face meetings still occur in the United States, it is also common to hold meetings via conference call or video conference if an in-person meeting isn’t feasible. Written communication via email is also a common occurrence either in addition to or in place of meetings.

 When scheduling a meeting in the Brazilian culture, an appointment should be made at least 2, if not 3 weeks in advance. (Kwintessential) Scheduled meetings should be confirmed in writing in order to hold your appointment. (Kwintessential) However, in the United States, some meetings may require an appointment while others may be spontaneous if both parties are available.

 Another difference regarding business meetings in Brazil and the United States is confrontation. In Brazil, meeting participants typically avoid confrontation, so it is important for an American to refrain from appearing frustrated or focusing on differences of opinion. (Kwintessential) In contrast, business communication in the United States is unafraid to point present differing opinions, especially when in negotiations. (LeBaron)

 While business meetings tend to be informal in nature in both Brazil and the United States, the communication style varies slightly. During business meetings in Brazil, it is common for a speaker to be interrupted; there are “no strict rules of protocol.” (Kwintessential) On the contrary, in the United States it is preferable to let others finish their thoughts before interrupting. (LeBaron)

Time

 Timeliness in Brazil will depend on the city where the meeting is being held. In the cities of Sao Paulo and Brasília participants of business meetings are expected to arrive on time. (Kwintessential) The same is true for meetings in the United States. However, there are cases in each country where being late is excusable. Being a few minutes late for a meeting in the United States is usually forgiven with a short apology; anything later than five minutes would deserve a phone call to notify the other participants. (eDiplomat) Another difference in this area is that Brazilians will derail from the meeting schedule in order to build a relationship with the meeting participants. (Kwintessential) The United States on the other hand has a preference to start and end meetings according to the schedule. (LeBaron) Therefore, an American participating in a Brazilian business meeting should not be concerned if the meeting lasts longer than scheduled. It would be important for the relationship building to continue even if it means not ending at the scheduled time.

Business Attire

 Brazilians tend to dress very well no matter what the occasion. In the business arena, men are expected to wear conservative suits in dark colors. (Kwintessential) If a man wears a three-piece suit, it typically indicates he holds an executive position. (Kwintessential) Businesswomen in Brazil would be seen wearing suits or dresses that are elegant and feminine. (Kwintessential) Business attire for women in Brazil is less conservative; it would be commonplace for a woman’s attire to appear sexy even in a business situation. (eDiplomat) It would also be expected that businesswomen wear good quality accessories and have manicured nails. (Kwintessential)

 Business dress in the United States is a little more complicated. There are not standard rules to follow as business attire depends on the region of the country, the business industry and the position held. (eDiplomat) If a businessperson is unsure what the appropriate attire should be, it is better to ere on the side of caution and dress in a conservative and professional way that is not overly casual or overly formal. (eDiplomat) Regarding attire for business women, it is inappropriate to wear anything that could be considered provocative. (eDiplomat) In addition, flashy accessories and heavy make-up are not commonplace. (eDiplomat) If an American was planning to attend a business meeting in Brazil, he/she would most likely need to dress more formal than he/she is used to in the United States. Women would want to take also add high quality accessories to her outfit in order to fit in.

Etiquette and Behavior

 There are some helpful tips when it comes to etiquette and behavior in Brazil and the United States. For instance, it is extremely important to not embarrass or criticize a Brazilian during a business meeting. (Kwintessential) Brazilians also have specific dining etiquette including not discussing work unless the host introduces the subject, washing hands before a meal and rarely touching food with hands or fingers, and avoiding the use of toothpicks in public. (eDiplomat)

 In the United States, some helpful points regarding etiquette are as follows: do not stare or bring attention to a person’s disability, say please and thank you, it is appropriate to discuss business over a meal, wait until everyone is served to begin eating, and attempt to leave close to the ending time if one is stated on an event. (eDiplomat) An American conducting business in Brazil should be aware of the etiquette expected and take cues from Brazilian colleagues when unsure.

Normal Business Hours

 Working hours in Brazil are 8:30am – 5pm and usually includes a one to two hour lunch break. (Kwintessential) Most businesses are open from 9am to 7pm Monday through Friday and 9am to 1pm on Saturday. Working hours in the United States can vary dramatically depending on the industry. The most common working hours are thought to be 8am to 5pm. However, some businesses operate at all hours of the day, so working hours would be divided into various shifts. In all accords, eight hours is thought to be a typical work day with forty hours in a standard work week.

Decision Making Styles

 In Brazil, business decisions are made by high-level employees. (Kwintessential) In stark contrast, managers in the United States serve more as facilitators and empower other employees to make decisions. (Kwintessential) When Brazilians break free from the paternalistic culture, it is found that employees can be creative when empowered to do so. (Kwintessential) The Brazilian decision making style is influenced by having a high power distance dimension to their culture.

Women in Business

 As discussed in the cultural dimension of masculinity, women are becoming a common force in Brazilian business culture; however it is uncommon for a woman to hold a high-level position. (Kwintessential) In the United States, women are seen in every level of business, even top-level management. (eDiplomat) Women’s role in business is certainly influenced by the cultural dimension of masculinity. An American business woman could expect to be treated with respect and would not have to adjust much to the business culture in Brazil. However, she should not expect any high-level managers to be female.

Gift Giving

 Gift giving in business situations in Brazil is not expected and expensive gifts may be considered bribes. (eDiplomat) If gifts are given, they should be presented in a social setting and should not incorporate the colors purple or black as those colors are associated with mourning. (Kwintessential) In the United States, gifts are appreciated, but some employees are unable to receive gifts due to company policies. Giving cash gifts in business should be avoided. (eDiplomat) As an American, one should be aware of the gift giving policies in Brazil and either forego gifts or make sure to do so in a social environment.

Handshakes

 Handshakes with good eye contact are customary in both Brazil and the United States. However, when shaking hands with the opposite sex in Brazil, the female should initiate. (Kwintessential) When Brazilian women greet each other, they do so with a kiss on each cheek. (Kwintessential) An American would not need to adjust much in this respect. However, if the American is a woman, she should not expect Brazilian men to initiate a handshake.

Business Cards

 Both Brazil and the United States make use of business cards during business interactions. In Brazil, business cards are distributed to everyone at the beginning of a meeting and should have one side that is translated into Portuguese. (Kwintessential) In the United States, there are no specific rituals regarding the distribution of business cards. (eDiplomat) An American entering the Brazilian business world should have a business card ready at the beginning of a meeting and make sure it is properly translated into Portuguese.

Language in Business

 In Brazil, the common language for conducting business is Portuguese. (Kwintessential) If an American is not fluent in Portuguese, he/she should hire an interpreter. (Kwintessential)

Gestures/Non-Verbal Communication

 There are a few similarities regarding non-verbal communication in both Brazilian and American business cultures. Good eye contact is important in both cultures, and the “thumbs up” hand gesture conveys positivity. (Goffan) However, while the “O.K” hand gesture in the United States is a positive gesture, it is considered obscene and vulgar in Brazil. (Goffan) Brazilians also have a tendency to be in close proximity of others which is opposite of what is preferred in American cultures. (Goffan) It would be important for an American to be aware of the gestures considered to be obscene or rude to Brazilians in effort to not offend a colleague.

 While all cultures have different customs regarding business operations, it is interesting to see how Hofstede’s cultural dimensions are at the core of some of these customs. Looking at business customs while considering the cultural dimensions of the country help to explain the differences we see between Brazil and the United States. Understanding both the cultural dimensions as well as common business customs in Brazil will help an American be successful when conducting business in this country.

# Works Cited

Ball, Don, et al. International Business: The Challenge of Global Competition. New York: McGraw-Hill/Irwin, 2013.

Clearly Cultural. Geert Hofstede cultural dimensions | Individualism. 2014. 7 December 2014 <http://www.clearlycultural.com/geert-hofstede-cultural-dimensions/individualism/>.

—. Geert Hofstede cultural dimensions | Long-Term Orientation. 2014. 7 December 2014 <http://www.clearlycultural.com/geert-hofstede-cultural-dimensions/long-term-orientation/>.

eDiplomat. Brazil - Cultural Etiquette - eDiplomat. 2014. 7 December 2014 <http://www.ediplomat.com/np/cultural\_etiquette/ce\_br.htm>.

—. United States - Cultural Etiquette - eDiplomat. 2014. 7 December 2014 <http://www.ediplomat.com/np/cultural\_etiquette/ce\_us.htm>.

Giftypedia. Brazil Gift Giving Customs. 2010. 7 December 2014 <http://www.giftypedia.com/Brazil\_Gift\_Giving\_Customs>.

Goffan, Havi. The meaning of gestures: body language in Brazil. 2012. 7 December 2014 <http://hispanic-marketing.com/the-meaning-of-gestures-body-language-in-brazil/>.

Kwintessential. Brazil - Language, Culture, Customs and Etiquette. 2014. 7 December 2014 <http://www.kwintessential.co.uk/resources/global-etiquette/brazil-country-profile.html>.

—. Intercultural Management - Brazil. 2014. 7 December 2014 <http://www.kwintessential.co.uk/intercultural/management/brazil.html>.

—. Intercultural Management - USA. 2014. 7 December 2014 <http://www.kwintessential.co.uk/intercultural/management/usa.html>.

LeBaron, Michelle. Culture-Based Negotiation Styles. July 2003. 7 December 2014 <http://www.beyondintractability.org/essay/culture-negotiation>.

WorldBuisnessCulture. Women in Business in Brazil. 2013. 7 December 2014 <http://www.worldbusinessculture.com/Women-in-Business-in-Brazil.html>.