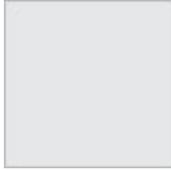


# Business-culture Briefing *Brazil*



## Introduction

The largest country in South America in economic output, population and area, Brazilian culture draws on a unique fusion of European, African and indigenous influences.

First inhabited by indigenous tribes over 8,000 years ago, Brazil became a Portuguese colony in the 16th century. European immigrants and African slaves intermarried with the indigenous peoples to a greater extent than in neighbouring countries. The result is a society that is diverse, resolutely South-American, yet also distinct in many important ways from its 'Latino' Spanish-speaking neighbours.

Although traditionally an agricultural and commodities based economy, Brazil also has very strong service and industrial sectors which have fuelled development over the last century. The last decade has seen Brazil open up its economy to foreign markets and investment making it

the fifth largest economy in the world. A diversified economy and unique culture make doing business in Brazil an exciting but often challenging endeavour.

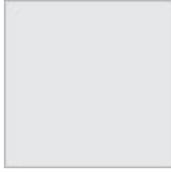
## The cultural background to business in Brazil

### *Regional and Ethnic Diversity*

Brazilians are often conscious of regional, ethnic, economic and class distinctions to an extent that surprises foreigners. An overview of Brazilian culture and business culture therefore needs to begin with an examination of the country's diversity.

Brazil is often divided into five regions: Norte (North), Nordeste (Northeast), Centro-Oeste (Central-West), Sudeste (Southeast), and Sul (South). In the early part of Brazil's history the physical environment in each region determined the types of crops grown or the resources available. This in turn influenced the populations that settled there and the social and economic systems that developed. While in theory these regional divisions are now mainly used for administrative purposes, they continue to correspond with very real variations in economic and social circumstances.

The Northeast of Brazil has an economic heritage based on slave labour and a plantation economy. Three to four million black slaves were transported to work on sugar plantations in the region from the 16th century onwards. In contrast with the United States, most colonists were single males rather than



families. These male slave-owners tended to take African or indigenous women as concubines or wives. The majority of the people in this region are therefore now either mixed-race or black, and these ethnic groups now comprise around 45% of Brazil's total population. The Northeast remains comparatively economically underdeveloped.

Brazil's small population of indigenous peoples live largely in the North and Central-West. Somewhere between 2.5 and 5 million indigenous people inhabited Brazil when the Portuguese first arrived in the early sixteenth century. Today the indigenous groups comprise less than half a percent of the country's population of nearly 200 million.

The Southeast of Brazil was the destination for the bulk of Portuguese immigrants who established smaller farms and eventually urban businesses. The South became the favoured destination of many German and Italian immigrants who raised cattle and grew a variety of crops.

European immigrants brought with them technical and commercial skills and consequently it was the South and Southeast that developed fastest. Government-sponsored migration schemes in the late 19th century specifically aimed to attract further white immigrants, especially northern Europeans, to these regions. As a result Brazil changed from around 1870 onwards from a majority black or mixed race country, to one in which whites now

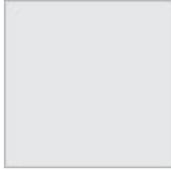
form a small majority. Despite significant internal migration over the last half-century, the Southeast in particular still remains predominantly white, and is the wealthiest and most developed part of the country.

*Rich and poor*

Overlaid onto these regional divides are stark economic distinctions between the urban wealthy and middle-classes, and the poorer residents of the suburbs, the favelas and the 'interior'. This 'social question,' as Brazilians call the divide between rich and poor, has characterised the nation since colonial times.

Brazil has the most unequal distribution of income of any middle-income nation apart from South Africa. This fact has led some analysts to talk about 'two Brazils'.

'First' Brazil is comprised of city-dwelling, middle-class and wealthy Brazilians; the people that most foreign business people come into contact with. Comprising between one-third and one-fifth of the population, 'first' Brazil lives mainly in cities within 200 miles of the Atlantic coast. Outward-looking and highly aspirational, 'first' Brazil tends to admire elite values and aspire to elite status. For example, Brazilian middle class families are far more likely to employ domestic servants and send their children to private schools than their European counterparts. Comfortably-off Paulistanos (residents of the city of São Paulo) and Cariocas (residents of Rio de Janeiro) can sometimes seem more inclined to look



towards Miami, New York or London for cultural and social influences, than to the interior or north of their own country.

'Second' Brazil is rural, working class and poor. Indeed, despite very significant improvements in social conditions over the last two decades it is estimated that over thirty million mainly rural Brazilians continue to live in relative poverty. Unlike in Europe, poor people in Brazil are more likely to live in the outskirts of urban areas, or in semi-legal urban shantytowns (called favelas) perched adjacent to middle-class areas. While the British or French may choose to look at their countryside as an idealised haven of peace and tranquillity, urban Brazilians tend to view rural areas as unsophisticated places of unrelieved poverty populated by something analogous to provincial hicks.

Many of the key characteristics of Brazilian society can be best understood within the context of the historical and ongoing relationship between 'first' and 'second' Brazil. For example Brazilians can sometimes seem preoccupied with class and status distinctions to an extent that surprises foreigners. Like in Britain, class differences in Brazil permeate almost every aspect of society. Brazilians can be quick to (often unconsciously) size up the social distance that exists between themselves and others they meet. Yardsticks of such distance are general appearance and the correctness of a person's speech. The degree to which an individual's vocabulary and grammar is

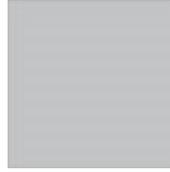
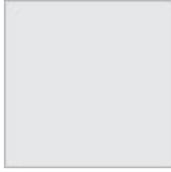
considered educated is used as a measure of schooling and, hence, social class.

Carnival, Brazil's four-day extravaganza of costumed dancers, formal balls, and musical contests, can be understood in the context of this contrast between 'first' and 'second' Brazil. The key to carnival's popularity is its break with and reversal of the everyday reality of rich versus poor, and urban versus rural. Through the use of costume anyone can become anybody at carnival time. Class distinctions based on wealth and power are briefly set aside, and the disparate components of 'first' and 'second' Brazil come together. The forms of Carnival vary from city to city and region to region. The most popular street carnivals are in Rio de Janeiro, São Paulo, Recife, Olinda, and Salvador.

#### *Racial tensions*

Most modern Brazilians are inclined to view the nation's unique blend of African, Indian, and European heritage as a source of national pride. Nevertheless it is inevitable that, with economic power so closely connected to ethnic background, there is a racial dimension to many social tensions. For example the wealthier (and generally white) inhabitants of São Paulo often blame the city's high crime rate on poor, mixed-race or black migrants from the North.

However a word of caution here is necessary. Obvious and overt racism is certainly no more acceptable in Brazil today than in most European countries. Brazilian social scientists argue



convincingly that the key fault lines of discrimination in Brazil society relate to social class and income, rather than to race. As Brazilians put it, 'money whitens'; the higher the social class, the less racial background tends to matter. Obvious ethnic tensions in Brazil are less apparent than in most other South American countries, and arguably less obvious than in the United States. Ironically, the fact that the expression of racism is sometimes more subtle in Brazil than elsewhere makes it more difficult to address and combat.

It is also the case that a shared language and religious background continue to provide cultural frames of reference that bring the entire country together. The uniqueness and richness of Brazilian culture resides, as much as with any other nation on earth, in the extraordinary diversity of its inhabitants.

#### *Bureaucracy, hierarchy and colonialism*

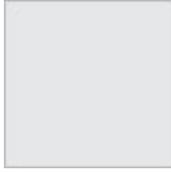
Most foreign business-people will be familiar with the concept of the 'Custo Brasil', or 'Brazil cost'. This essentially refers to the high operational costs associated with doing business in Brazil in comparison with other middle-income countries. Much of the Custo Brasil relates to poor infrastructure, expensive energy, high taxes, and restrictive labour laws and skills shortages. However the greatest element of Custo Brasil probably relates to the country's extraordinarily complex bureaucracy. In World Bank rankings (June 2012), Brazil ranks a poor

130 out of 185 countries, directly below Bangladesh, Indonesia and Ethiopia, in a measure of how easy it is to set up and run a business. The World Bank's study found that simply calculating and paying the bewildering array of federal, state, local and municipal taxes in Brazil takes a medium-sized firm around 2,600 hours annually. The global average is 277.

The level of red tape in Brazil was originally an inheritance of the Byzantine structures through which the country's colonial masters in Portugal governed.

Colonial Portugal was faced with the dilemma of imposing order on a large expanse of territory with a small colonial population. There were frequent French and Dutch attempts to undermine Portuguese control. The colonial power's response was to divide up and allocate vast territories of Brazil to Portuguese donatorios or landowners. This privileged group of colonial landowners became known as *estamento*, and developed into a ruling class that in some ways resembled European feudal lords. Order was maintained by imposing a strict and authoritarian legal order that made sense to the Portuguese, but paid no heed to the conditions on the ground within Brazil.

When independence finally came for Brazil the *estamento* immediately became the new national aristocracy. The new state simply internalised the top-down and authoritarian colonial administrative structures it had inherited from Portugal. The nation's subsequent haphazard



political development during the 19th and early 20th century resulted in further authoritarian governments, which were prone to reinforcing the traditionally over-centralized bureaucratic system. The late 20th century military dictatorship further entrenched officialdom as a systematic way of excluding the poor and illiterate from the social system, while protecting those businesses and individuals most likely to support military rule.

Brazilian business-culture developed within this hierarchical system, and many business structures came to mirror the highly complex and status conscious culture of society as a whole. Still today Brazilian businesses can appear significantly more status-conscious and stratified than companies elsewhere.

### *Jeitinho*

Over the centuries Brazilians have developed strategies to navigate the country's extraordinary bureaucracy and red tape. The term *Jeitinho* refers to the process of cutting through obstacles such as rules and red tape to achieve a desired end.

A core cultural value in Brazil, *Jeitinho* describes a process of doing things by circumventing rules and social conventions, and in which an individual uses resources such as personal networks, family ties, or sometimes money to obtain favours or to get around bureaucratic restrictions. It has its roots in the way Brazilians learnt to use connections with *estamento* and others to

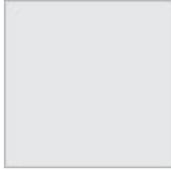
get round authoritarian edicts imposed by the colonial Portuguese.

The word *Jeitinho* comes from the Brazilian expression 'dar um jeito', literally 'find a way.' A *Jeito* can be roughly translated as a 'ruse', or a 'clever dodge' to get round a rule designed to prevent someone from doing something. A *Jeito* ranges from a simple favour offered and accepted, to a conscious and deliberate act of breaking formal rules.

A fairly extreme expression of *Jeitinho* is captured in the Brazilian Portuguese term *Malandro*, which is probably best translated in English as a combination of 'hustler' and 'wheeler-dealer'. *Malandros* are common figures in Brazilian literature, cinema and music, and are often presented as anti-heroes. Living a lifestyle of idleness and petty crime, cheating and deceiving at every turn, *Malandros* are excessive examples of a tendency to manipulate others and break rules to obtain the best outcome in the easiest possible way. Facing with huge inequalities of power and wealth and an often oppressive bureaucracy, it is perhaps not a surprise that Brazilian culture has a level of sympathy with those of little social influence whose only method of survival is by fooling authorities and sidestepping laws.

*Jeitinho* is something of a double-edged sword for most Brazilian businesses.

On the positive side, improvising to make the seemingly impossible happen is clearly a useful business skill, particularly



in a country that sometimes seems determined to make life difficult for business-people. Finding an able, clever and astute way to get things done (especially something difficult for competitors) provides a useful competitive advantage. Indeed Brazilians are so used to finding ways around difficult situations that there is sometimes a natural built-in tendency to check and re-check that everything is working effectively. Brazilian business-people, working from the general assumption that 'where there is a will there is a way,' may sometimes perceive Europeans or North American as hide-bound, inflexible and unimaginative in their approach to dealing with problems.

Persistence in the face of apparently impossible situations can have dramatic pay-offs and underpins a strong Brazilian work ethic. Brazil and especially São Paulo is a long-hours culture where the number of worked hours is a valued asset.

On the negative side, the persistence of Jeitinho in Brazil reflects a pernicious and damaging lack of faith in Brazilian institutions and public services. Rules and regulations can be arbitrarily or confusingly enforced by public bodies. The bending of laws carries little stigma, particularly where rule-breaking is seen as a solution to unfair, complex or convoluted regulations, or to manifestly absurd bureaucracy. Because of the many instances in which jeitos can be applied, the bypassing of legal norms can

sometimes appear to be more the rule rather than the exception in Brazil.

Another negative impact of Jeitinho can be seen in the concept of gambiarra, or quick organizational fix. An example of gambiarras at work might be patching up a worn out and unsafe piece of equipment, rather than replacing it. This represents flexibility and improvisation, but the hesitation to work within formal rules and regulations (i.e. by following safety regulations and ordering a new machine) is ultimately inefficient, and stores up potential problems for the future.

Of course most Brazilians are well aware that choosing to ignore some rules makes enforcing other ones more difficult. Over the last decade there has been a growing intolerance of political and business corruption, and clearer distinctions drawn between the creative use of loopholes, minor law-breaking, and out-and-out corruption. While the wealthy and well-connected corrupt are still more likely to escape conviction and punishment that those of lower social status, their days of virtual impunity from the law are now for the most part gone. Nevertheless, the concept of Jeitinho remains built-in to the Brazilian mindset to an extraordinary extent, and is an important cultural characteristic for foreign business-people to grasp. Where rules, regulations and laws in the USA or UK are popularly seen as underpinning and guaranteeing personal freedoms, in



Brazil they may be seen in quite opposite terms.

#### *Relationships and networks*

One characteristic reflection of Jeitinho is the effort which Brazilian business-people go in developing extended networks of contacts, friends and acquaintances in all parts of society. Providing favours to contacts is part and parcel of daily life, as is soliciting favours from others. Brazilian political culture in particular still operates to a great extent through an extended system of patron-client relationships.

In the government sphere and in more traditional companies, one rises through the ranks by developing influential connections and getting help from personal networks. On occasions this means that when recruiting, or simply choosing a partner to work with on a project, it may be the person with the best networks and connections that is preferred, rather than the person with the best technical experience and qualifications.

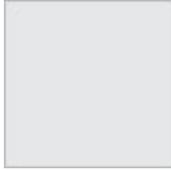
Business-people from task-focussed cultures like the UK tend to clearly separate public and private lives, and generally reserve friendship-building efforts for those most obviously within the private sphere. When distant business-contacts ask for favours this can cause a feeling of distinct discomfort. Brazilians in contrast are often less inclined to separate public and private dimensions in this way. Friendship and business much more closely intertwined.

For people from cultures where friendships are developed on a more selective basis the Brazilian approach can be something of a surprise. Be aware that where local business contacts are already working within a network of solid personal relationships, there may be an initial mistrust in dealing with new business contacts. Meetings, business lunches and dinners are important to break down this initial mistrust and build a productive relationship.

#### *Family*

Brazilian society still emphasises extended family obligations to an extent that can surprise European visitors. Families in Brazil tend to be large and close-knit, providing members security and connections. Brazilians expect to receive and give considerable help within the family, by which they generally mean a more extended family beyond parents and immediate children.

This focus on family has an important effect on civil and work life. For example, family members will often be found working for the same company and nepotism may be tolerated to a greater extent than elsewhere. The European idea that it is somehow morally wrong to treat someone favourably at work just because they are part of the same extended family does not necessarily apply. A Brazilian might consider it morally wrong not to do so. It is important to be aware of this family focus. In Brazil career security is an important part of working life, and family loyalty is paramount.



### *Despachantes*

Where Brazilian business-people do not have the right business connections in place, or need to find a quick way through red tape, they may turn to professional Despachantes.

Despachantes provide a wide range of services to anyone wanting to expedite their dealings with federal, state or municipal governments. They are in effect professional facilitators or middleman who have extremely well developed Jeitinho networks in state offices, and who know how to do Jeitos (i.e. get things done).

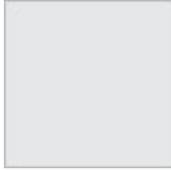
Despachantes come in all shapes and sizes, and perform a variety of services ranging from the completely legal to the occasionally questionable. In general they have become an essential part of the process of getting things done and manoeuvring the layers of governmental bureaucracy in Brazil. For this reason most foreign business people are likely to encounter them at some point. Make efforts to select a reputable despachante service, one with which you feel comfortable working and which conforms to your organisation's ethical values. You can find a reputable despachante with the assistance of your lawyer or through recommendations from local business partners.

### **Education**

Like so many aspects of Brazilian life, educational opportunities are tied to social class. Brazil has never invested heavily in public education and most

middle-class and elite families send their children to private school. Two-thirds of all public monies spent on education in Brazil goes to universities, the other third to public primary and secondary schools. While public universities in Brazil—widely considered superior to their private counterparts—charge no tuition, they have very competitive entrance exams which generally favour students who have attended costly private schools with high academic standards.

The value placed on higher education by certain segments of Brazilian society may explain why it receives such a large share of investment. Career advancement in Brazil traditionally comes more from who one knows than what one knows, and where one is educated, influences who one knows. University education then, aside from training students in a particular profession, also confers (or confirms) social status which, in turn, provides the personal connections that can influence future success.



## Working with Brazil

Understanding the characteristics of Brazilian society, and the unique values and attitudes that impact on how Brazilians often behave at work, will help you develop better commercial, professional and personal relationships. What follows are some general hints, tips, and suggestions that should enable you to do business and work more successfully with your Brazilian clients, customers and partners.

### *Building relationships*

Contacts in Brazil are very important. Good relationships with business partners speeds up business, increases trust, and provides access to an extended network of acquaintances from which one can elicit useful favours. It is essential to spend the time getting to know Brazilian counterparts, both personally and professionally. Business visitors from more task-focussed cultures may need to make a particular effort to build relationship with Brazilian counterparts in order to work effectively.

Do however be selective in your efforts to build relationships and networks. Attempting to get to know everyone in an organisation is both pointless and time-consuming. Moreover if you are not obviously in a position of status or power, you may well find your efforts at relationship-building are ignored or politely rebuffed. Focus your efforts on those at the appropriate organisational level or those who are the ultimate decision-makers. Be prepared to give

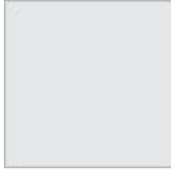
Brazilians time to get to know you and make sure that you are showing a genuine interest; insincerity is as obvious in Brazil as anywhere else.

Remember that favours within a business network imply a measure of reciprocity. They are courtesies to be returned. Learning how and when to return favours that have been given will help minimise any frustrations you might experience doing business in Brazil.

### *Making the right impression*

Following the courtesies of business etiquette is generally important in Brazil. Courtesies can be usefully understood as mechanisms for transmitting information about the educational and social status of business partners. Politeness is important, as is considered informality. For example, as a general rule of thumb it is probably well-mannered to address your Brazilian counterpart with their title and surname at the first meeting or when writing to them. Once you know them, it is easy to use just first names, or else their title followed by their first name.

Brazilian business culture attaches significant importance to dressing well. The way a business-person dresses reflects both the seriousness of the individual and the credibility of the company they represent. In São Paulo businessmen tend to wear a tie and suit while businesswomen wear skirts and blouses that are formal but also feminine. As elsewhere more informal dress codes are often apparent in sectors such as advertising or digital media. Banking and



law are the business fields where people dress most formally. Deliberately dressing less formally than business partners in your sector will do you no favours.

Few Brazilians outside major companies or the main business centres (the Southwest and South of Brazil) will speak fluent English. Even where your clients or partners are mainly in larger companies or English-speaking global businesses, relationships will generally be more influential if you can show that you are making some effort to communicate in Portuguese. For example, when you meet someone for the first time it is polite to say 'muito prazer' ('my pleasure'). Expressions such as 'como vai' and 'tudo bem' are common forms of saying hello once you know someone better. If you are on a longer term assignment, particularly outside of São Paulo or Rio, it is pretty much essential to learn Portuguese.

European Portuguese has different pronunciation and vocabulary from Brazilian Portuguese. There are also some grammar distinctions. Consequently if you are studying Portuguese outside of Brazil, then make efforts to get a Brazilian teacher rather than one from Portugal. While regional accents exist in Brazil they are not particularly pronounced and there is no kudos attached to speaking with any specific regional accent.

Handshakes are the most common form of greeting between business

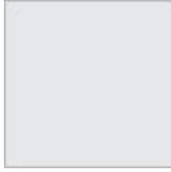
colleagues. In more informal situations men and women in Brazil may sometimes greet each other with one or two kisses on the cheek, or briefly embrace. It is not necessary to do the same. In a meeting, shake hands with and greet each person individually; avoid walking in and acknowledging everyone all at once. If you know the hierarchy in the room then shake hands from highest to lowest.

Socialising with business contacts is common. Lunches are common; usually between midday and 2pm. Dinners are generally associated with celebrations or the signing of contracts. In this sphere as elsewhere appearances are important, so always make a reservation in a quality restaurant.

Arrive on time for a business lunch or dinner. At social (i.e. non business) dinners Brazilians usually arrive half an hour late. At informal social events, like parties, arriving up to an hour or two hours late is acceptable.

Toasts are not particularly common and there is no fixed etiquette associated with them; a simple 'Saúde' (i.e. cheers!) generally suffices. If you are hosting then food and drinks are your responsibility. Social events often run longer than elsewhere.

There are few taboo subjects to be avoided in social conversation, although deforestation and corruption are perennially sensitive issues that require intelligence and tact. Topics like salaries, matrimonial status and age are generally not suitable for discussion. Humour is



generally acceptable and Brazilians will usually 'get' self-deprecating jokes and irony in a way that some other cultures do not. Soccer, weather and traffic are all good conversation openers.

#### *Persuading and Influencing*

Creating a friendly, open, flexible environment in which people feel free to behave naturally and spontaneously is an important part of establishing personal credibility with Brazilian partners and colleagues. Meetings will often begin with more small-talk than elsewhere, and kicking off a meeting by going straight to the point can be perceived as rudeness.

Business meetings can sometimes seem to revolve more around personal topics than an obvious business agenda. However, be aware of Brazilians' capacity for conducting business while talking about personal affairs, and do not underestimate the importance of making space to discuss whatever topics arise. Sticking too rigidly to an agenda runs the risk of being seen as overly impersonal. Business is serious, but it is also human.

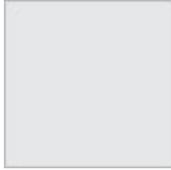
Face-to-face communication is usually preferable to email. If you are not getting a response to an email then pick up the phone, or better still arrange a visit. Given the importance of trust it is important to avoid obviously rushing business discussions, or pressing for final decisions where the appropriate internal approval processes have not been concluded.

Face-to-face negotiation is often also extremely important in closing a deal. In

general Brazilians are both polite and anxious to avoid embarrassment, and potentially conflictive negotiation topics can sometimes be skirted around rather than addressed as directly as elsewhere. This is not to suggest that people are afraid to say what they think – quite the contrary. It is simply that potential conflict is most comfortably addressed in the right circumstances, and where there is a reasonable level of personal trust between individuals. As elsewhere, losing your temper will not improve relationships and interactions with Brazilian counterparts.

In both business and social settings Brazilians tend to interrupt each other more than UK speakers do. This is designed to demonstrate interest and engagement in a conversation. Try not to express surprise and irritation as this will look impolite. Another demonstration of engagement comes in the use of upbeat emotions, sometimes visible at the negotiation table. Strong positive eye contact on your part shows you are paying attention and reciprocates engagement.

Business visitors to Brazil often comment that touch is more common during business conversations than elsewhere. The intention is to get as close as possible. Closeness inspires trust and trust inspires long term relationship. It is not necessary to touch more than you are comfortable with, although obviously flinching from an extended handshake or brief embrace can come across badly.



### *Dealing with hierarchies*

Hierarchy and status, as measured by age, reputation, position and wealth, are important in the Brazilian business environment. Even if there is a level of considered informality between those with high-ranking positions and their subordinates, both sides are aware of who has the power and influence. This studied informality can be confusing for people from northern Europe in particular, who can sometimes misperceive the Brazilian workplace as being a great deal more egalitarian than it actually is. The apparent informality that northern Europeans see in Brazil often masks strongly status-conscious business relationships.

One result of this focus on hierarchy and status is that Brazilian companies tend to have vertical hierarchies where managers at the top make most of the key decisions. These positions tend to be dominated by men, although women are present in executive roles to a greater extent than elsewhere in South America. Thankfully the somewhat 'macho' attitude towards women that can still be seen in some other South American countries is much less obvious in Brazil, and female participation in the labour market is as high as in many southern European countries.

Senior managers may well not be in the habit of consulting with junior colleagues as widely as elsewhere. The opinions of Brazilian middle-managers or technical employees do not always carry

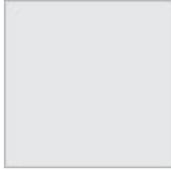
the weight that they would in Europe, and more junior employees do not generally expect to be consulted when decisions are taken. Be prepared to argue your case at senior levels, even where you may have buy-in from technical and contacts experts elsewhere in the organisation.

Open-plan offices are common in Brazil except at the most senior levels, so visitors should not assume that a lack of a private office is an indication of status.

### *Managing people*

While managers in Brazil are expected to manage, rather than consult and guide, the highly directional and authoritarian leadership styles seen in places like India or China are not common. Although many American and European management practices have been adopted wholesale, Brazilian management styles commonly still combine a high deference to formal authority with a tendency to creative improvisation and innovation. In practical terms a good manager had traditionally been seen as something of a homem cordial, or cordial man. This term describes a gentle, accommodating and paternalistic figure who manages to work well within a formalised hierarchical system, while at the same time working hard to foster a personalised relationship with sub-ordinates based on trust and respect for personal dignity.

Most Brazilian managers believe that it is only through informal relationships with staff that originality and innovation



can be released. The idea is that when empowered and encouraged by a good manager (who engenders trust and builds relationships) Brazilians can will be inspired and work well in teams. Managers who demonstrate loyalty to employees generally get loyalty back in return.

#### *Giving and receiving feedback*

There is often a distinct aversion to open confrontation in Brazilian business. In general Brazilians are always open to new ideas but do not deal well with direct criticism that, most of the time, is taken personally and not perceived as directed to the executed task. The focus on two-way loyalty means that negative feedback to subordinates in Brazil is often delivered in a highly sensitive way, with particular care paid to avoiding loss of face. If giving instructions to Brazilian subordinates, try to be as clear, precise and comprehensive as possible. If tasks remain undone after having asked for them to be done, start by questioning yourself. Were my instructions given clearly? Was I too vague? If you only give partial instructions, only part of the task may be performed.

#### *Managing time, deadlines and schedules*

In a culture where personal relationships are so vital to business success, a flexible approach to time is highly prized.

This is not to say deadlines and schedules are not important, simply that they are viewed as serving the

maintenance of good personal relationships rather than being important on their own account. Meetings can be delayed or cancelled without any prior warning if other personal or relationship priorities arise. Your flexibility and courtesy in responding sympathetically to lateness demonstrates your respect for counterparts, and shows you can be trusted. Showing feelings of frustration or impatience in these situations will reflect poorly on you as a trusted partner.

This does not mean you can be late for a meeting yourself. Always be on time for an appointment but be prepared for business-related delays. Be aware that the traffic in São Paulo can cause frequent delays to meetings.

Aim to set up a business meeting a good 15 days in advance, and anticipate that even with well-planned meetings there may be unanticipated interruptions, especially when working with senior levels.

The working day generally runs from 8:30 or 9 am to 6 pm. Lunch breaks are usually for one hour but they can easily last up to two hours. Try to set up your appointments from 10 am to midday and after 2 pm to 5 pm.

School summer holidays run from December to February and many families take extended holidays during this period. Very little business gets done during the 4-day Carnival which can be any time from late January to early March (exact dates differ each year).



## Crime

Given the nation's stark economic inequalities, social control in Brazil has long been problematic. High rates of crime, particularly in large urban areas, are an unfortunate part of Brazilian life. The murder rate in greater São Paulo, for example, is several times that of New York. Killings by (and of) police are common particularly in poorer urban areas.

The most problematic crimes to impact on overseas visitors are generally:

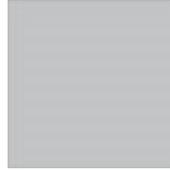
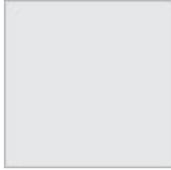
- Car robbery – you can get robbed in your car when stopping at intersections. If you are lucky, only your belongings will be taken, especially wallets, mobile devices, computers and watches. In the worst case scenario, the criminal takes you to the closest ATM, has you withdraws all your balance, and leaves you at a different location, taking your car with him. This practice is called “sequestro relâmpago”. Never react to these robberies under any circumstances as the number of murders of this nature is very high.
- Robbery – there is no preventive measure against robbery in Brazil, but it is important to avoid walking on the streets late at night, leaving money at sight, displaying electronic devices on the street and so forth. It is possible to be robbed when leaving the bank too as the criminal follows

you until a place where he can rob you without being noticed.

- Collective robbery – known as “arrastões” in Portuguese, collective robbery consists of several people being robbed at the same time. It is common in restaurants, “casas lotéricas”, buses and outdoor events such as Carnival and New Year’s Eve celebrations.
- Kidnapping – it can be an extension of the car robbery. The criminal assaults you at the bank surroundings or right after you leave your car. The next step is to call your family and ask for money in exchange for your freedom.

It is important to remember that you can pass an entire lifetime in Brazil without being the victim of any crime. Indeed you may be more at risk from Brazil’s very dangerous roads and poorly trained drivers than from crime. In any event, taking sensible anti-crime precautions will help. Ten top tips for staying safe in Brazil:

1. Inform credit card companies before you leave home and let them know you will be in Brazil, so your card does not get blocked unexpectedly and you suddenly have to find cash off the beaten track or late at night.
2. Familiarise yourself with the different parts of the city you visit in advance. This can help you determine which sections are higher in crime and should be avoided. Never enter a



favela unless part of an organized tour.

3. If you look like a tourist or a visitor you are an obvious target. Make sure you look like you know what you are doing and where you are going (even if you do not).
4. Use an ATM only if you have to and do so during the day at a busy location. Take out enough money to avoid frequent trips to the ATM and return the excess money to your hotel room. Do not walk around with it.
5. Stay close to your belongings and keep bags on the table.
6. Take a taxi if you need to get around a city at night. Strolling down dark streets can make you an easy target.
7. Bring only the amount of money you need with you. Determine exactly how much you will need for your activities during the day and leave the rest of your cash and credit cards in the safe in your hotel room.
8. Stick your wallet in your front pocket, where it is harder for muggers to grab. Avoid carrying a purse if at all possible. If you do choose to carry a handbag, find one that is small with a short strap allowing it to rest under your armpit.
9. Stash a small amount of cash in a hidden spot, such as inside your sock. This will allow you to return to your hotel if you are confronted and robbed of your wallet or purse.

10. In the very unlikely event that you are held up at gun point or knife, do not resist or fight or look at the thief's face.



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