

Clive's guide to Portuguese business culture

The dos and don'ts
of doing business in
Portugal

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Portuguese business culture - general

Only 40 odd years ago, Portugal still had a poor backward agrarian economy propped up by wealth stripped from its colonies. Since then, the changes have been dramatic. This is a modern, thriving economy.

Infrastructures (physical and virtual), the retail and entertainment offering, transport, indeed, all the trappings of modern life are as advanced as anywhere else in the West and in some case more so. The democracy is thriving and, broadly speaking, transparent and uncorrupted. Much business is competitive, dynamic and innovative. However, there remain some aspects of Portuguese business culture which are generally regarded – including by the Portuguese themselves – as retrograde and anti-competitive, for example:

- Short term gain typically beats strategic long term interest.
- Delivery on commitments and deadlines is often half-hearted.
- Team spirit does not come easily.
- The justice system works extremely slowly
- Nepotistic recruitment and procurement.
- Lack of directness and transparency.
- Unwillingness to accept responsibility.
- Unusually strong culture of secrecy – they won't even put names next to their door bells in apartment blocks!
- Culture of short cuts and rule-breaking.

It is important to be prepared for frustration and the possibility of being ripped off. However, while there certainly is some corruption and more petty dishonesty, the underlying current is generally fair and honest.

The key is patience and a willingness to unobtrusively educate your business partners into your way of doing things as well as to learn that a willingness to take short cuts and break rules brings with it great problem-solving skills. The carrot is generally more effective than the stick but an occasional “whack” is useful.

On the other hand, take care to adapt to the good side of Portuguese or, more generally, Latin culture.

Overall, the biggest strength here is a willingness to be flexible and to learn. There is respect and admiration for more advanced methods and economies. Provided that these values can be instilled sensitively, you will find that there is considerable creativity and drive to resolve problems and adaptation to circumstances.

The most important environmental factors are the bureaucracy and a weak justice system. Over the last 10 years, bureaucracy has become much more efficient. Online tax systems are good, indeed very innovative in some cases. You can set up a simple limited liability company in a couple of hours. The “Citizen Shops” (Lojas do Cidadão) are a brilliant idea – centres where you can sort out most of your personal bureaucratic needs – driving licence, social security, ID card, utilities, voting registration, payment of fines and so on.

The social security administration is horrible, and dealing with municipal authorities can be messy but in general the improvements have been notable. It is still the glacial justice system that remains as the biggest problem. Contracts really are just pieces of paper because the courts are so slow (five to ten years is typical in company law disputes.), although they are not generally corrupt. The key is that the real function of lawyers – is to find ways of delaying any suit against their clients. The law allows this prevarication and you should remember that the big law firms are still important centres of political power in this country.

Economic liberalisation has advanced considerably but labour laws can still be restrictive – with the perverse unintended consequence of a widespread use or abuse of unpaid internships and short term contracts – and there remains a culture of state involvement in business and collectivist policies.

One of the most important benefits in Portugal is the high level of English speaking – far more advanced than anywhere else in Southern Europe, or even some North European countries such as Germany. You only have to cross the border into Spain for a couple of days to find a huge contrast, even at high levels in business.

Corporate culture

Status is important. The use of academic titles, the trimmings of executive remuneration and other symbols are powerful. For example, car brand and model are astonishingly significant perks here - more than the salary itself. Job title and rank are less significant although it is important to know who *really* takes the decision in a deal but that is true in all cultures and business situations.

The obverse of status is deference. Bosses tend to be dictators and their staff buck-passers. There is exaggerated deference to superiors, academic titles and, be prepared, foreigners. The Portuguese are extraordinarily and charmingly self-critical. Almost everything foreign is viewed as being better. They are extremely welcoming to foreigners: it is the most xenophilic culture I know. The biggest downside is a profound unwillingness to challenge authority and take responsibility.

Teamwork is weak, exactly because people don't like taking responsibility. There is strong tendency first to analyse their personal interest in any action or deal. Understanding hidden agendas is an important skill.

The avoidance of responsibility and hierarchical deference have deep effects. Neither blame nor credit are taken. Even high up in organizations, when things go wrong it's always the fault of a colleague, a competitor, the government, the economy, or just "the way things are" with a helpless shrug. People do not seek empowerment and it can be difficult to find someone who will take personal responsibility for the carrying out of a course of action, a deal or an event.

The workplace can be somewhat formal with even close colleagues using titles and last names. There is great variability in this aspect, however. Younger managers and industries (tech is the obvious example) can be much more open and informal.

If responsibility avoidance is the biggest problem, then the non-fulfilment of commitments is the most serious corollary. **Never** assume that a commitment – however clearly made – will be fulfilled without constant vigilance and cajolery. Taking on a commitment here always assumes that a good excuse is enough when that commitment fails.

Cultural strengths

You will find great personal warmth here. It is expressed undemonstratively but sincerely – if someone tells you to “have a nice day”, they actually mean it. Developing good personal relationships is very important in business and will often be at least as significant a factor as the product or service offering itself.

Because planning is weak and deadlines viewed with a very “relaxed” eye, Portuguese business people are expert at dealing with the last minute crisis. There is always someone around who will fix it or find a creative way through. Of course, the solution may well be a kludge but a solution will be found.

Psychologically and sociologically the Portuguese are very well adjusted, with a flexible balance between home and work, family and business. They are pacific and dislike confrontation. It is a remarkably non-violent society. Dispute is typically resolved through discourse, negotiation or avoidance.

As mentioned above, the Portuguese are willing to learn new approaches and be flexible in the way they do things.

Negotiating in Portugal

General

Make sure you have understood something of the cultural background first.

None of the ideas in here are absolute guides to all situations and people in Portugal. There are considerable differences between generations, regions and, crucially, the relative depth of their contacts with other business cultures (especially yours). Expect the unexpected.

Negotiating in Portugal takes time and is usually conducted via some not always picturesque byways and detours. It will almost certainly involve some long lunches and social chat.

Do not take statements – verbal or written – as givens or even at face value. Meetings and documents are regarded as approximations and a first step towards behind the scenes wheeler-dealing.

Try to work out who wants what (I am not referring to anything corrupt, rather the motivational dimension) out of the deal and who actually takes decisions.

Don't ditch all your own cultural approach – you are expected to be different and your contacts will probably already have had good international experience. The key is adaptation rather than transformation.

Strategy and tactics

Consensus rather than winner/loser tends to be the underlying philosophy. They are uncomfortable with confrontation or explicitly competitive positions. Indeed the avoidance of competition is, I believe, a major constraint on the growth of the economy.

Secrecy is a strong current in negotiations and there is little transparency. They will not put all their cards on the table. You will have problems getting all the financial information you need – if you're buying a company, for example, it can be amazingly difficult to get the sellers to give you access to accounts. There is always a suspicion that opening up will expose weakness.

Make sure you insist on specific and realistic deadlines and performance measures. “Tomorrow” and “next week” are relative terms in Portuguese. You’ll have to confirm that the deadlines are on track before you find that they have been and gone. Do not automatically expect to be told if deadlines or goals are going to be missed.

Do not take given parameters for negotiation at face value. They may talk about quality, delivery and efficiency when, for example, they are only interested in price.

The analysis of a deal may well be as much emotional and personal as objectively financial. It is more likely to be about short term gain than long term strategic benefit.

The emotional, psychological and social factors referred to mean that their attitude to you as a person will be very important. They would rather close a deal with a friend than an adversary. Don’t let this fool you into thinking they’re not tough negotiators – they are.

The golden rule is not to assume that something said in a meeting is final or absolute or even true. Truthfulness is a flexible concept here. Be prepared for later renegotiation of a position “agreed” at a meeting. The deal is only final when you see the final signed contract. Even then...

Make sure all agreements and commitments are in writing.

Behaviour

The first action should be to shake hands and, on a first meeting, exchange business cards. If you are a woman or being introduced to a woman, you may be offered a kiss on both cheeks but not always, so assume a handshake but don’t be surprised by the offer of a cheek! There is no formal etiquette here, other than normal politeness.

You will invariably be offered coffee and water.

Do not launch straight into the negotiation, even if this is your 10th meeting. Give some space for small talk, about business in general, about soccer, about the weather, about personal items such as the family.

If negotiations talk place at lunch, you will usually wait until the coffee is served at the end to get to the real chase. Do the psychological and social sizing-up during the meal itself.

You will find it difficult to get definite answers to all your questions. Try to get information by analyzing the evasions and half statements. Nevertheless, without being brutal, do feel able to insist on clarifying a point.

Meetings are often badly run, tend not to be effectively chaired and do not keep to an agenda or timetable. Do try gently to focus the discussion or bring it to closure but allow plenty of room for people to say what they have to say. Disagreement may well be expressed with some pretty tortuous circumlocutions, so you need to listen well. Do not assume that the minutes of a meeting are a sealed commitment.

Never shout or lose your temper – it doesn’t work and ends up putting you in a weaker position.

The Portuguese have an instinctive wish to please. The result can be good but also produces a tendency to say what they think you want to hear. Make sure you get specifics and quantification of assurances that “it’s on time”, “we have lots of experience in this area”, “the decision will be taken soon”, and so on.

Dialogue is important, closure will take time and patience.

Take good meeting notes and offer to do minutes, if there are any (they are not common in normal business meetings but you can insist).

For subsequent meetings make sure commitments (documents, actions etc) for the next meeting are clear and that a gentle reminder of those commitments is made shortly before the next meeting.

Appointments alert

Office hours: typically 9.00 am-12.30 pm and 2pm to 6pm. The lunch break is sacred and lunch is itself often a key business activity (see Entertaining - meals). A sandwich lunch at the desk is not common and somewhat derided. There is no “siesta” tradition in Portugal.

Best times: avoid making appointments earlier than 10 as people do not tend to arrive at work on time and need their first “cafézinho” (espresso type coffee) to get going. Appointments as late as 6pm to 7pm are often OK, even where dinner is not involved. The best times of the day are probably 11am or 4pm.

How far in advance: in general, people do not like to make appointments a long time in advance (that is, more than a week) but where you or your contact have to, it is a good idea to reconfirm a few days before..

Punctuality is not an important cultural trait. It is courteous to arrive five minutes **late** and definitely bad news to arrive before the agreed time. Quarter of an hour late is not usually noticed. Over half an hour begins to be rude. Nevertheless, the Portuguese are usually aware that foreigners operate differently, so I would still recommend being on time (plus five) and ‘phoning in if you’re delayed. Just don’t expect your contacts to follow the same rules.

On arrival at the meeting place, do not be surprised, offended, or even read in any power games, at being kept waiting for up to 20 minutes (although I’d be worried about the organization and cultural awareness of a new supplier doing that to you as a potential overseas customer). Over half an hour is too much and it would be understood if you showed your irritation.

Social engagements timings: the rules are much more lax. Often a verbal invitation will not specify a time but rather “in the afternoon” = any time after lunch up to about 6pm; “in the late afternoon or evening” = any time from 6pm to around 9pm; or “at night” = any time after about 10pm. Even so, ask for a specific time and apply the following rules of thumb to know when you should arrive: meeting at a restaurant or bar – 5 to 15 minutes late; lunch/dinner party at someone’s house – 10 to 20 minutes late; party/drinks 15 to 45 minutes late (never less than 15); meeting a group at a bar or night club for a night out up to 60 minutes late.

Lunch in Portugal is usually set for 1 pm, dinner for 8 pm. Most night clubs don’t open before about 11pm and don’t warm up until around 2 to 3am

Date and time formats: use the 24 hour clock (e.g. “09.30h” for 9.30am and “17.00h” for 5pm) in written exchanges but “half past nine in the morning” and “five in the afternoon” verbally. Dates are always day/month/year.

Shopping times: normal high street stores are open 9.30am-1pm and 3pm to 7pm Monday to Friday, closing at 1pm on Saturday and all day closing on Sunday. Supermarkets and hypermarkets are typically open 8.30

am to 9pm (or later) 7 days a week, with some restrictions for large stores on Sunday afternoons. Shopping malls are typically open 9.30am to 10.30pm or later. There are very few 24/7 stores, other than convenience stores at some gas stations. Every town and neighbourhood has a duty roster for 24 hour pharmacy services. Any pharmacy – and there are lots – will display a list showing the pharmacy on duty.

Public behaviour

In general the Portuguese are relaxed about etiquette and public behaviour, so don't get too worried about the "rules". If your intention is obviously polite and well behaved, the details won't matter.

Driving has improved dramatically here in the last 20 years and is pretty good and, generally, considerate. You'll get tailgating in motorways (freeways) and most drivers still don't get how to signal on roundabouts but they are rarely aggressive and will let you into a traffic queue fairly quickly. Most cars are manual (stick shift) but rental companies usually have a stock of automatics especially for North American drivers.

You always shake hands with someone on meeting, however many times you've met them before. Women often kiss on meeting (with men and women), usually one on each cheek. It is very difficult, even for the Portuguese, to know when to do this instead of the handshake. When you don't know, the easiest is to extend your hand and kiss only if the woman offers her cheek.

For a good and familiar business contact a gentle hug on first greeting or departure is acceptable.

Handshakes should not be too firm.

Physical contact is acceptable and a grip of the arm or a hand on the shoulder is common. It is not unusual for someone to hold their hand on your upper arm as you walk down a street – this is a gesture of warmth and trust.

People stand closer in conversation than in North America Northern Europe and maintain more (but not more intense) eye contact.

There are only a few particular behaviours to avoid, different from other European cultures:

- Never stretch in public.
- Do not eat with your fingers unless everyone else does – which is rare.
- Always use knife **and** fork, even for apparently obvious fork food. The US style cut–place knife–switch to fork is not good manners.
- Do not lick your fingers, however delicious or sticky that last bit of sauce was.
- The table napkin should always be laid on your lap, not inserted under your chin (unless your host does, for a particularly messy dish).
- Never write anything in red ink, not even small notes, checks, etc. Only school teachers correcting work are "allowed" to write in red – otherwise it's offensive.
- Avoid turning your back towards someone in the group you're with (for example a person next to you at a dinner table). If you have to do so, apologize first.

Until very recently, smoking was fairly widespread so while the non-smoking regulations are observed there are lapses and people are fairly non-militant about this. Still you have the right to complain and ask people not to smoke indoors.

If you are a smoker, you are not alone: there are some smoking restaurants and bars (basically they can choose to be smoking or non-smoking, although most now choose the latter). In people's houses, it is not shocking to ask if you can smoke, although you may be politely asked to smoke outside in the yard, on the veranda or whatever. You can't smoke in offices but you'll usually find one or two people having a cigarette out on the fire escape or in front of the entrance.

In Portugal, as in most Latin countries, there is a very extensive language of hand and finger signs, which you don't need to know. The usual ones are standard and the offensive ones are obvious.

As you hand over an object to someone it is common to say "please".

Generally, while politeness is highly valued, the words "please" and "thank you" are used less liberally in the language than, say, by the British but the rules are not rigid about this.

When sitting in a more formal meeting or public place, you shouldn't sprawl, put feet on furniture and so on but maintain a good posture. It's fine to cross your legs.

This is a less sexist culture than many other Southern or Eastern European countries or indeed some in Northern Europe. Sexist situations still exist but it is common to find women in positions of authority even in traditionally male preserves such as engineering, finance and law. You are, of course, free to comment on sexist actions or attitudes.

Entertaining

Meals

Breakfast meetings are generally viewed as a barbaric invention ruining the proper start of a civilized day but they will be grudgingly accepted in companies used to working with North American partners.

Dinner is for entertainment, celebration or the family rather than for business discussion. You should not target dinner for negotiating a deal unless your hosts suggests that. If you're over from abroad, Portuguese hospitality means that your contacts will almost certainly invite you out to dinner and expect for you just to enjoy yourselves rather than work for your meal. Dinner is usually at about 8pm and is unlikely to finish before 11pm.

Lunch is the key business event: I would estimate that most big deals are made at lunch.

Lunch is usually at 1pm.

Allow plenty of time for lunch (1 hour is a snack, an hour-and-a-half is normal, two or more hours is for important business).

The idea for lunch is to get to know your business partner as a person. Unless it is unavoidable you should only talk business at the end of the meal when the coffee arrives. If you need to pack in more business conversation, suggest meeting at the office for half an hour or so before going on to lunch (rather than afterwards). Conversation during the meal can be very wide ranging and personal.

Wine is often drunk – virtually always at dinner - although more and more business people drink water at lunch. For a longer “serious” meal then wine is normal. Drinking spirits (e.g. whisky) with the food is thought to be very strange but beer is fine.

The restaurant offer in bigger cities such as Lisbon and Oporto has exploded and is truly fantastic, covering every type and level of cuisine. Online booking works well here and service at restaurants is usually excellent.

Food and wines

Portuguese food is good and generally simply cooked. On coastal areas such as Lisbon, the fish is excellent and fresh. Take care with the salted codfish (“Bacalhau”). This can be cooked in literally hundreds of ways, many delicious, but the simplest and most traditional give you a lump of boiled or steamed very strong tasting salty fish. Otherwise they have good beef, pork, chicken, kid and lamb.

There are some outstanding wines, especially red, often at very attractive prices. Ask your host or the waiter for advice. The well known Portuguese wine brands you see at home in the supermarket are virtually never drunk by the Portuguese. Of course port wine is world-beating. Dry white port can be drunk as an aperitif and red (including vintage) as a digestive but the Portuguese themselves tend to prefer whisky or brandy.

Coffee here is excellent – I believe the best in Europe. The standard coffee is small black espresso type and if you just ask for a coffee, that is what you’ll get. However, any restaurant or café will happily produce just about any other type (there’s a bewildering long list of names), if you just explain how you want it.

Other cuisines are now very well represented, especially in the big cities. The old assumption that Portugal has its own gastronomic culture and so you come only to eat Portuguese food has gone – although you really should try it.

The ubiquitous US fast food chains extend around the country, so if you’re desperate for a Macdonalds, KFC, Ben & Jerry’s, or Pizzahut, don’t panic. Not all your favourite brands will be available but at least you can hit the craving with a dose of familiar food.

Home and family

The Portuguese seldom have dinner parties at home and do not routinely take business guests into their homes. If you are invited home to meet the family, take this as a great compliment and sign of respect.

As mentioned in the gifts section, you should try to get a gift for any children – even a token like some chocolates or candies. You are likely to meet the children and even fairly young children may dine with the adults. Physical demonstrations of affection and appropriate touching of children are normal, even from perfect strangers.

Inviting and paying

It is normal to invite a business contact for a meal. Dinner is more social or intimate than lunch. If you do invite your Portuguese contacts out, ask them to choose the restaurant, although you can specify any

preferences (typically Portuguese, seafood, with a view, downtown, whatever). The food culture in Lisbon and Oporto is vibrant.

The Portuguese will usually try to pay for a foreign guest's meal as part of the culture of hospitality. If you wish to pay, just make it clear you're inviting and get the waiter to bring you the check. Take care with this as the waiter will usually assume that the Portuguese "host" will want the check. When you want the check call his or her attention with the "writing in the air" sign.

If you want something, it is perfectly OK to signal to a waiter yourself and ask for whatever is missing.

Service charges are not usually included in the check. You should tip but don't exaggerate – 10% is generous. If you need the check for expenses, make sure you ask for a proper receipt ("a fatura"), as otherwise you may just be given the till receipt).

Most restaurants take credit cards but check for the signs on going in and beware that American Express and Diners are not nearly so widely accepted as VISA.

Colleagues (i.e. where you're at the same hierarchical level and not on a formal supplier/customer relationship), will often split the check and "go Dutch". (In Portuguese "fazer uma vacinha" – literally "making a little cow". A prize goes to anyone who can tell me why).

You may be invited to go on to a bar or club afterwards. If you're male, tactfully check what kind of club, as you might not want to go to a place with "hostesses".

If you're invited to a Fado restaurant, where the traditional *fado* music is performed, beware that, while ethnically fascinating, they're not good for extensive conversation as it is considered profoundly rude to talk while the singing is going on.

There are some very good rock and jazz places around but I have not come across any decent country & western spots.

First name or title

Names

It is usual for people to have very long names. Usually the first in the list is the first name, the rest (as many as five or six, although not usually all set out on business cards etc) are family names. The exception is that many women's names (and some men's) are compound, usually with Maria as the first part (e.g. Maria Luisa, Maria Teresa), in which case it is common to drop the "Maria" and just use the second half (Luisa, Teresa, etc).

The rest of the family names are built up from various generations alternating through the Mother's and Father's sides. The very last name (the father's surname) is usually the last name for purposes of addressing a person but it is common for the last two to be used – it's a matter of listening how they are referred to by others but you won't offend by just using the last name as family name. Note that this is slightly different from the similar Spanish system of names, where the surname of address is the penultimate one.

Addressing people

Titles in Portugal are a minefield which can take years to traverse.

The simplest is not to try to understand and to use the English Mr *lastname* and Ms *lastname*. **Do not use first names unless invited.**

Don't be phased if they call you Mr/Ms/Mrs *firstname* or slip in a Dr or whatever, even if you're not an MD or PhD. They may well use Mrs, without any intended indication of marital status, as there is none in the Portuguese equivalent and many have not been taught at school that the "Ms" title was invented 50 years ago and in use for at least 30.

In many companies close and long term colleagues can still refer to each other quite formally.

If you really want to use Portuguese titles, you have to be careful to avoid giving offence. Otherwise, all you need to know is that the Dr title refers to someone with a degree and not a PhD or MD. I explain the details in the next section for the curious.

People will not be offended if you have difficulty pronouncing their name but will be very pleased if you ask them to explain how to pronounce it correctly.

The system of Portuguese titles

Having a Degree (which now includes a Masters) entitles you to use "Dr" (or Dra = "Doutora" for a woman), unless it's in engineering in which case the title is Eng or Eng^a ("Engenheiro", "Engenheira") or in architecture in which case it's Arq or Arq^a ("Arquitecto", "Arquitecta")

Having a Masters Degree theoretically entitles you to the title "Mestre" but this is only used in formal or written situations in the academic world.

People with doctorates (PhD but not MD) are always titled as Professor ("Professor Doutor"), so don't assume a Professor holds a professorial chair or is a university teacher.

When addressing someone by last name use "Senhor (or Doutor etc if applicable) *lastname*" for a man and "Senhora Dona *firstname*" for a woman without a degree etc or "Doutora (etc) *lastname*" "Senhor *firstname*" is used but is often for "inferior" ranks or foreigners whose surnames they can't manage. The Brazilian usage "Dona *firstname*" is incorrect in Portugal but is slipping in through the Brazilian soaps on TV.

Just to add further confusion Senhor (etc) *firstname lastname* is also not uncommon, as is addressing people very informally (even close friends) just by *lastname*.

Unfortunately, being titled "Dr" etc is a business and social advantage and will get you meetings and respect you might not otherwise get. Like it or not, if you're going to work here for a while and have a degree, get them to use the title. The trouble is, you should never introduce yourself as "Dr.Smith" (or whatever), unless you're a PhD/MD and speaking in English to someone who understands the US/UK system, as this is very bad form. Instead, slip in a casual reference to your university or degree somewhere in a conversation and it will probably be picked up, although foreign names seem to confuse the system sometimes and you'll still be a *Senhor* or *Senhora Dona*. The last resort is to get an assistant or secretary to refer to you in Portuguese as "Dr Smith" to a third party. Yes, it is a pain.

I won't explain the various degrees of formality/informality in address here, as that requires more Portuguese, several pages of explanation and a Byzantine mindset.

Gift giving

It is common but by no means required or even expected to give a gift to a prospective business partner or customer and you will offend if you reject a gift offered to you or, say, make it clear it will be distributed to staff. These gifts are usually intended to be a personal gesture and mark of respect and not a bribe. Of course there are levels of "gesture" and if someone offers you something extravagant you would be quite right to refuse politely and explain that you are very grateful but it is your company policy not to accept such gifts.

Gifts received should be unwrapped and shown on receipt.

Giving gifts from your own country or region is especially appreciated.

Quite expensive gifts – a good fountain pen or a piece of porcelain, for example - can be acceptable if that is really appropriate in the business situation and to the status of the person involved.

Suppliers will usually distribute gifts, sometimes quite lavish ones, to customers at Christmas time (this is an almost entirely Christian/non-religious culture). Again a common sense response is required.

Spirits (especially whisky) are acceptable but, usually, avoid wine because the Portuguese believe their wine is better than anyone else's (it **is** pretty good).

Personal dress items such as a tie, scarf or scent are appreciated (although choosing the right scent for women can be very difficult).

If you know your contact has children, then gifts for them rather than (or as well as) your contact are often very successful, as long as you get the age range about right. There is less likely to be the same depth of sensitivity about the kind of present as in, say, the US.

Your own company branded gifts can be useful but you need to assess whether they will actually be used and their perceived value (e.g. a bunch of cheap pens may not be very effective as a presentation gift). People here do not generally "flag wave" for their company or country as much as in other cultures.

Appropriate coffee table books are often given and received.

You may not be given a gift in return on the same occasion. Don't be offended.

Business contacts are not often invited home but if you are, take some flowers or chocolate, not wine. Gifts for any children are very welcome, especially as you are likely to be introduced to them (And it is quite possible; children don't go to bed as early as in some other cultures).

Thanking for a gift is usually done verbally but a written note, while not necessary, is always appreciated.

Conversation

General language

You can assume that any business contact will speak reasonable English. If they don't they will tell you. French is the usual third language now (or even fourth after Spanish). When speaking English or French, unless your interlocutor is totally fluent, take care to speak clearly and slowly and not to use slang, jokey language or idiomatic expressions, just as in any other non-English speaking country.

The Portuguese understand Spanish but not vice versa, because Portuguese pronunciation is especially difficult, even though the written languages are similar. However, if you use Spanish they will usually reply either in Spanish or in Portuguese with an attempt at Spanish pronunciation (which makes it easier to understand).

Apart from the fiendish problem of titles (see above), the mode of conversation is reasonably informal but still more formal than in the US or UK, at least at first. It is better to start too formally and then drop to casual, as there can be sector, generational and regional variations.

Touching – arm, hand – during a conversation is acceptable but not necessary.

The Portuguese are generally reserved and pacific and do not like confrontation or verbal directness. It may take a few circumlocutions to get to the point and you will have often to read between the lines. Nevertheless, do insist (politely) if you're not sure what is going on.

My own experience is that this avoidance of confrontation is quite a subtle business and can mean that North European or American directness, however polite, can be taken as offensive. In the end, like most of these "rules" in the end you just have to be yourself, or you'll end up going crazy trying to adapt – as long as you are being polite, not shouting or being aggressive, say what you need to say in your way. They'll always forgive a foreigner, as long as he or she is polite. The important thing to remember here is even if you tell them clearly what you think you probably won't get the same in return.

Conversation - general

Most Portuguese are tolerant, difficult to offend and used to dealing with people from other cultures, so don't worry too much about the details. These are hints not unbreakable rules.

Avoid personal comments or compliments early on. The best gambit is to compliment the country, food, city, climate, wine, football (soccer)...

Don't discuss people's positions, careers, salaries (this one – never!) unless it comes up.

The Portuguese appreciate humour and it is useful to break the ice, although going straight into anecdotes and backslapping is not a good idea. Political humour is well liked.

Expletives and strong slang are more acceptable in the North of Portugal (around Oporto) than in the South/Lisbon, although thorough immersion in American/British cinema and TV means that they're used to the odd s*** etc, as long it's not in Portuguese.

The family is important here, so feel free to talk about your family and home. This is very child friendly society and so it is normal to talk about your children, bring them for a visit into the office and so on.

Topics to avoid

Religion and all the usual controversial subjects.

People's personal finances, salary, etc.

Individual work related matters (but the general business/sector situation is fine)

Sports other than soccer, unless they express an interest. In sport, Portugal is a soccer monoculture, which can be a bit frustrating for those of us who actually find other sports more interesting.

Welcome topics of conversation

- Soccer & (if they play) Golf
- Food and wine
- Family
- Politics - but don't assume someone's political leanings because of his or her position or job. For example, there are many socialists among serious and successful business people. If you come from the US, remember that socialism here is pretty watered down and a highly respectable part of the culture. Even communists are tolerated and not viewed as potential terrorists. In general there is a much broader range of political views here than in the US, although the now very right wing Republican stance is not much represented here (or elsewhere in Europe for that matter).
- The economy
- Movies
- Travel
- Music
- Literature

Business dress

Generally, dress is moderately but not rigidly formal.

It is common, even in fairly formal organizations (except, say, banking and the law), and at a senior level, for men to wear sports jacket/pants and tie. However, there are subtleties about the “right” kind of jacket, shirt and tie which are too complicated to bother about, so I still always go for the standard suit.

Long sleeved shirts/blouses are important, especially for men. Only foreign men wear short sleeved shirts with a tie, apparently.

Women (and often men, for that matter), are clothes brand conscious and will usually dress “well” but not necessarily power dress. Again, go for conservative = safe. Conservative can include pants/(US =”pants”) for women if as part of a suit or “chic” outfit.

Casual dress (i.e. no tie for men and however you define the equivalent for women), is still not widespread in business at management level, even in many hi-tech/software etc industries, although there are exceptions and some companies with dress down Fridays.

It is fine to take off your jacket in a meeting if you are hot (“Do you mind if I...”, is a good idea) but don't roll up your sleeves unless they do.

Socially, follow the normal rules except that people are dress conscious and so clothes (even jeans and T-shirt) should always be coordinated and clean. “Scruffy” is not a part of normal, over-21 dress vocabulary in public. Particular points: if invited to a meal and you don't know the dress code, men should wear a tie - you can always take it off; theatre (ballet, opera, classical music concerts), are moderately formal and so a tie is safe but dinner jacket/black tie (US= “tuxedo”) and equivalents for women are rarely worn.