

outsourcing  
Brazil

## Doing Business in Brazil successfully: The right cultural approach




---

---

---

---

---

---

---

---

outsourcing  
Brazil

## Agenda



- ✓ Cultural differences
- ✓ No right or wrong
- ✓ Pros x Cons
- ✓ Do's and Dont's when investing
- ✓ Take aways
- ✓ Top Tips when working in Brazil

Pillars of working successfully with Brazil

Cultural Awareness	Workforce Capability	Methodologies
Creativity & Innovation	Productivity	Organizational Tools
Communication	Meetings and Attentiveness	Avoid Uncertainty and Ambiguity
Deadlines	Documentation and Knowledge Transfer	Assets and Knowledge Management

---

---

---

---

---

---

---

---

outsourcing  
Brazil

## There is no right or wrong

Key Aspects	Brazil	United States
- Family	Very important	Extremely important, it is the fabric of life
- Work	Important, entrepreneurial spirit	Extremely important; success defines a person
- Education	A necessary step; it is not cool to be a geek	Very good education system and strong emphasis; way to differentiate from 1,000s
- Religion	Mostly Cristian, no major conflicts	Huge diversity; all religions under the sun
- Fun	Life without some fun is not life	Very different concept of fun
- Confrontation	Not desirable	Yes; Be straight forward and practical. Don't take it personal
- Hierarchy	7 out of 10	9 out of 10

---

---

---

---

---

---

---

---

Pros		outsourcing Brazil	
Brazil	United States		
Business Maturity	Professionals are very well trained		
Flexible; accept challenges	Process Oriented		
Optimistic; half way full glass	Detailed analysis		
Hard worker; if the work does not interfere with one's weekend	Hard worker		
React quickly to unexpected situations	React quickly to unexpected situations		
Pleasant to work with	Pleasant to work with, after you get to know him/her		

---

---

---

---

---

---

---

Cons		outsourcing Brazil	
Brazil	United States		
Corruption is accepted as part of life	Corruption is unacceptable		
Flexible; hard time following procedures	Sometimes, get lost in details and analysis		
Optimistic; sometimes naive	Headquarters trumps geo; not adapting well to local rules		
Urban crimes is part of life	Hard time accepting differences; can be judgmental sometimes		
Tend to be too optimistic	Too impersonal		

---

---

---

---

---

---

---

When investing in Brazil		outsourcing Brazil	
DO's	DONT's		
Hire locally, developing a local team should be priority number one	Act opportunistically		
Bring all the experience in training and use it; develop your team	Believe that Brazil is US or UK		
Respect the local values; such as weekends and holidays	Don't drink the "Kool-Aid"; both the good news and the bad news		
Design a clear and detailed strategy and stick to it (as much as possible)	Simply through out there; don't shift the strategy every six months		
Defined the profiles you want to hire and pay the right price	Undermine the importance of well aligned talent		
Secure strong sponsorship from a senior management back at the headquarters	Underestimate possible labor liabilities		
Manage the expectations of executives back at headquarters	Acquire any company before you truly understand the marketplace		

---

---

---

---

---

---

---

### Take Aways



- When talking about culture, there is no right or wrong, only differences.
- Brazil is not US or UK
- You have to invest a lot of time and money building a strong management layer
- Language support to the rest of organization
- Filter the uniqueness of Brazil
- The first year is for hiring the right people and defining a clear long term strategy

---

---

---

---

---

---

---

### Take Aways



- ✓ People need to know before they do business with you
  - But one doesn't demand a long time to become a "friend"
- ✓ Sophisticated economy and businessman
  - But don't try to measure/judge them by their degrees
- ✓ Managers here are flexible and adapt quickly
  - Buy also get frustrated fairly quickly; high touch
- ✓ *Conservative* is not a positive expression
  - It is perceived as slow and government-like approach
- ✓ Brazilians have a hard time understanding the "fast spoken English"
  - And they will not interrupt you more than once; nobody wants to give the impression that they don't speak English well

---

---

---

---

---

---

---

### Top Tips When Working in Brazil



- ✓ Business is about people x products/services.
- ✓ Time for relationship building is a must.
- ✓ Expat only management does not work.
- ✓ Brazil is not obvious nor impossible
- ✓ Early local advisory is imperative, specially around location, tax, workforce, union relations and academic partnerships.
- ✓ Always avoid confrontation and demonstrating frustration. Brazilians will take it as a personal offense even if the subject is purely professional.
- ✓ Learn to accommodate, things will get done.
- ✓ Ability to adapt is seen as key professional attribute of individuals and companies.
- ✓ Learn the Brazilian way !
- ✓ Time is inconsistently fluid. Agendas are a suggestion and there is always a long explanation for everything that goes wrong.
- ✓ Extreme pragmatism is not seen as a good thing.

---

---

---

---

---

---

---

### Top Tips When Working in Brazil



- ✓ Any conversation can be interrupted and three people can speak at the same time. Inflection is as important as the words in a sentence.
- ✓ Always ask to be told back the commitments made. Get it in writing also if possible and always provide clear and objective instructions.
- ✓ Companies are hierarchical but be sure you are talk to the decision maker, You may only be told after many iterations. The org chart does not always reflect the true governance.
- ✓ At the end it is always about enjoying life. But do not get confused, professionalism is very high in all areas and locals will get offended otherwise.
- ✓ Similar time zone with US and Europe allows for same time support and interaction with clients.
- ✓ Respect and accommodate for local calendar, specially holiday. Embrace the local culture !
- ✓ There is not a 1:1 relationship on job codes and roles. Be very careful with the "translations"

---

---

---

---

---

---

---

**When help is needed culture and language can make a difference between success and disaster !**



---

---

---

---

---

---

---

### A little more on cultural diversity



**Misreading the signs**

---

---


---

---

---

---

---

**Pillars of working successfully with Brazil** 

Cultural Awareness	Workforce Capability	Methodologies
Creativity & Innovation	Productivity	Organizational Tools
Communication	Meetings and Attentiveness	Avoid Uncertainty and Ambiguity
Deadlines	Documentation and Knowledge Transfer	Assets and Knowledge Management

---

---


---

---

---

---

---

**Cultural Awareness** 

Cultural differences can impede a smooth collaboration: a Brazilian "OK" can mean an "I'll do it", "I hear you", or "I understand, but will take no further action". This will lead to ambiguous perceptions on the completeness of a work unit, or wrongly interpreted requirements. Being aware of such cultural misconceptions is the basic rule for a successful business engagement. The importance of cultural awareness should not be underestimated.

↳ **Cultural Awareness Education**

- For all groups: client, onshore, offshore. Special attention for team members that will directly deal with the other shore or the client.
- Focus on Cultural Conflicts that have direct impact on intercultural collaboration.

---

---


---

---

---

---

---

**Workforce Capability** 

Methodologies and Processes can be optimal, but real world realities can be challenging: high turnover, years experience on specific field/industry, technical knowledge, university hires from different/unrelated fields, hiring processes not meeting US/EU standards. Also, skill requirements concept can vary among different societies.

↳ **Monitor Hiring Process**

- Verify each resource skill set, specially for new projects.
- Delegate hiring to a minimum
- Do not rely solely on résumés, phone interviews should be done.
- If additional training is required, verify it was successfully completed.

---

---

---

---

---

---

---

## Methodologies



Methodologies and Processes for guiding and managing IT engagements are being adapted for offshore outsourcing. But it's crucial the everyone is aware of the in-house processes and tools. Awareness of "standard" methods helps all practitioners understand their roles, provides common vocabulary, and clear definitions.

### → Propagate the Methodology

- Not only to the onsite, but to the entire offshore team.
- It'll provide the big picture.
- Will allow offshore teams to proactively contribute
- Will improve productivity and effectiveness by reducing the ambiguity

---

---

---

---

---

---

---

## Creativity & Innovation



Work tasks and deliverables in which creativity and innovation are important, may be "lost in translation" when sent offshore. Potential innovations do not gain visibility or are not spread. Some, like GUI and interaction process definition, require the client close at hand for early involvement and to avoid unnecessary acceptance iterations.

### → Promote creativity, but keep creative work units

- Initially keep these work units onshore.
- Let offshore teams perform and motivate them to contribute and suggest improvements.
- After a tight relationship is built, and the offshore team gets to know the client better, increasingly creative tasks can be sent offshore.

---

---

---

---

---

---

---

## Productivity



Labor productivity can be measured as the amount of productive work during a specific amount of time. As distractions increase, productivity decreases. During social and cultural events productivity decreases.

### → Factor events and Monitor Productivity

- Make sure to include local festivities and holidays in your schedule and milestone management. Traditional vacation months should also be factored in and mitigation negotiated. Beware of transportation problems during these periods.
- Online tracking tools should be introduced and applied, where the daily completion of activities report should be required.

---

---

---

---

---

---

---



## Organizational Tools



Calendar and scheduling systems not being used correctly.  
Development frameworks used unevenly, making difficult to plan, build and trace all deliverables.

### → Adherence to organizational procedures

- Make sure a common calendar is used appropriately for meetings and calls. If necessary conduct a "shared understanding" session on these systems.
- Use of commonly configured development and maintenance environment is essential.

---

---

---

---

---

---

---

## Communication



Communication problems are the major cause of offshore engagements failure. Barriers to interaction between onshore and offshore must be kept to a minimum. Well structured and continuous communication among team members improves performance and success more likely.

### → Emphasize communications strategies

- Ensure the use of synchronous and asynchronous tools, as well other collaboration tools. It shows a clear improvement in efficiency, however there must be a team commitment to use them regularly.
- Schedule daily and weekly phone calls, and plan face-to-face visits to develop trust and build a healthy relationship.

---

---

---

---

---

---

---

## Meetings & Attentiveness



In a distributed environment, meetings between geographical dispersed teams are conducted mainly by phone. It's observed that during these meetings some participants gradually become less attentive.

### → Conduct effective meetings

- Choose video-conference over phone call whenever possible. Use webcams over Internet to save costs.
- Prepare and distribute a agenda beforehand, so everyone is aware of discussion points and action items.
- Meeting minutes should be generated , distributed and signed to ensure all parties have fully understood and agreed with the decisions made. Action items should have an owner and a date for completion.
- Last but not least: cell phones must be switched off during meetings.

---

---

---

---

---

---

---

## Uncertainty & Ambiguity



Differences among cultures imply different ways of interaction between onshore and offshore team members. It may be considered impolite to directly disagree with someone in some cultures, while in another it can be done more freely. An offshore team may ask very few questions regarding a just assigned task, and this can lead to a misunderstanding by the onshore team that the task was fully understood.

### → Avoid Uncertainty

- Encourage the offshore team to make questions.
- Write down detailed requirements.
- Ask questions to verify their understanding.
- Keep an open-minded attitude toward the other culture and its implicit communication

---

---

---

---

---

---

---

## Deadlines



Differences cultures perceive deadlines differently. They may not view a deadline as imperative unless its importance has been highlighted explicitly.

### → Enforce deadline adherence

- Deadlines should be deliberately set early.
- Always include a precise time target: until 12th December 5pm CET.
- Be sure to frequently ask about the progress being made and whether the current deadline is still realistic.

---

---

---

---

---

---

---

## Documentation & Knowledge Transfer



Knowledge Transfer is critical to any kind of transition. However quite a few poor or no documentation at all. New team members and new hires will need more time to get acquainted with the project/work. This led to unexpected delays, which is a major risk in offshore engagements.

### → Improve documentation

- Required documentation for every decision and assumption taken by the offshore team.
- Check there is sufficient documentation for new team members
- Enforce and verify code comments, annotations and implementation notes.

---

---

---

---

---

---

---



## Assets & Knowledge Management



Many corporations use knowledge bases for gathering reusable work products and lessons learned, what lead to improved performance without reinventing the wheel. Reality show that not all team members might be completely familiar with knowledge databases, and there is almost no corporation wide awareness of asset repositories.

### → Promote Asset Reuse

- Assess how reusable assets are being used, and how to create new ones.
- Reward (\$\$\$) asset creation and use to improve to motivation.

---

---

---

---

---

---

---

## Thank You !

Robert Janssen

Email: [rjanssen@outsourcingbrazil.com.br](mailto:rjanssen@outsourcingbrazil.com.br)

Website: [www.outsourcingbrazil.com.br](http://www.outsourcingbrazil.com.br)

Blog: [www.brasilexportati.com](http://www.brasilexportati.com)

Twitter: [robertfjanssen](https://twitter.com/robertfjanssen)

Linked In: [robertjanssen](https://www.linkedin.com/in/robertjanssen)



---

---

---

---

---

---

---