

Portugal – people, culture, language

A guide for businesses



The country

Geographically and culturally somewhat isolated from its Spanish neighbours, Portugal has a rich, unique culture, lively cities and beautiful countryside. Although it was once one of the poorest countries in Western Europe, the end of dictatorship and introduction of democracy in 1974, as well as its incorporation into the European Union in 1986, has meant significantly increased prosperity. The World Economic Forum's Global Competitiveness Report (2005) placed Portugal in 22nd place, ahead of Spain, Ireland, France, Belgium and Hong Kong.

Major industries include oil refineries, automotive, cement production, paper, textile, footwear, furniture, tourism and cork (of which Portugal is the world's leading producer). Agriculture and Fishing no longer represents the bulk of the economy, but Portuguese wine, including Port Wine (named after the country's second largest city, Porto), is exported worldwide.

Portugal is a world leader in renewable energy. In 2006 the world's largest solar power plant began operating in the south, while the world's first commercial wave power farm opened in the Norte region. 45% of Portugal's electricity is now produced by renewable energy sources.



Portugal's Atlantic coastline.

Fast facts

Location: South West Europe; bordering the North Atlantic Ocean and west of Spain

Capital: Lisbon

Official Language(s): Portuguese (official), Mirandese (official - but locally used)

Population: 10 million

Ethnic Groups: homogenous (Mediterranean)

Religion(s): 94% Roman Catholic

Currency: Euro

Dialling Code: +351

Time: same as GMT

Language

Talking the talk: the positive impression you will make by speaking a few basic Portuguese phrases cannot be overestimated. Below are some commonly-used phrases - if you want to learn more, why not download our **FREE Talk the Talk™ podcast** with essential words and phrases in Portuguese? Available soon at www.rlnpodcast.com.

English	Portuguese	Pronunciation
Hello	Olá	<i>o-laa</i>
Good day/good morning	Bom dia	<i>bong dee-aa</i>
Good evening	Boa noite	<i>bo-aa noy-te</i>
Goodbye	Tchau	<i>chow</i>
How are you?	Como vai?	<i>ko-mo vai?</i>
Fine, and you?	Bem, e você?	<i>beng, e vo-se?</i>
Pleased to meet you	Prazer em conhecê-lo (m) Prazer em conhecê-la (f)	<i>praa zerr eng ko nye se lo (m) praa zerr eng ko nye se laa (f)</i>
Yes	Sim	<i>seem</i>
No	Não	<i>nowng</i>
Please	Por favor	<i>por faa-vorr</i>
Thank you	Obrigado (m) Obrigada (f)	<i>o-bree-gaa-doo o-bree-gaa-daa</i>

Did you know...?

- Portuguese is the sixth most spoken language in the world.
- Portugal and England signed the Treaty of Windsor in 1386, the oldest formal alliance between two countries in the world.
- Portugal has one of the highest mobile phone penetration rates in the world.
- Port wine is named after Portugal's second-largest city, Porto.
- You should never write anything in red ink. It is considered insulting.

Doing business

- It is worth remembering that just 30 years ago, Portugal was a poor, traditional agrarian economy. While changes have been dramatic, Portugal still lags behind in some areas that perhaps minimises its competitiveness and can make it a trying place to do business. There are, however, both positive and negative points:

- **Positive**

You will find great personal warmth. It is expressed undemonstratively but sincerely.

The Portuguese have a willingness to be flexible and to learn. They are creative, adaptive and resourceful.

The relationship-driven culture can mean a good solid partnership if the right chemistry is created.

- **Negative**

Short term gain usually beats strategic, long-term interest.

Little respect for deadlines.

Meetings can be badly run and inconclusive.

Insider information is widely viewed as merely the social dimension of stock trading.

The justice system and general bureaucracy is slow, and there is a culture of short cuts and rule-bending.



Lisbon.

Relationship building

- The Portuguese prefer to do business with those they feel comfortable with, which means those that they know they can trust. Therefore, it is advisable to have a mutual contact provide the initial introduction.
- Expect to invest a great deal of time developing the relationship. This is often done through meals and good conversation.
- Remember, relationships are built with people, not companies. If you change representatives or people on a negotiating team once negotiations have started, the relationship-building process will have to begin again.
- The Portuguese abhor confrontation and do not appreciate direct criticism, even if you consider it to be justified. Doing so may jeopardise a relationship.

Hierarchy

- Portugal is a culture that respects hierarchy. Both the Catholic Church and the family structure emphasise hierarchical relationships.
- People respect authority and look to those above them for guidance and decision-making.
- Rank is important, and those senior to you in rank must always be treated with respect.
- This need to know who is in charge leads to an authoritarian approach to decision making and problem solving.
- In business, power and authority generally reside with one person, who may make decisions with little concern about consensus building with subordinates.

Meetings and negotiation

- Generally speaking the Portuguese are relaxed when it comes to etiquette and formalities. Most business is polite but not overly fussy.
- When meeting, a simple handshake accompanied by direct eye contact and the appropriate greeting for the time of day will suffice.
- Titles in Portugal are important but at the same time a minefield, which can take years to understand. The simplest method is to use the English Mr/Mrs/Miss followed by the surname. Do not use first names unless invited.
- Never launch straight into business. Some time must always be put aside at the beginning for small talk. Take the opportunity to ask about health, family, the weather or recent sporting events.
- Meetings can be badly run. They tend not to be chaired well and much of the time does not keep to an agenda or timetable. Do not show frustration but rather try to gently focus the discussion, while ensuring you have allowed people to have their say.
- The Portuguese are quite indirect communicators. You will find it difficult to get definite answers to all your questions. You will need to read between the lines somewhat and analyse evasions and half statements.
- An instinctive wish to please can also result in a tendency to say what they think you want to hear. Be sure you get specifics and quantification of assurances.
- Specific (and realistic) deadlines and performance measures should be agreed upon. 'Tomorrow' and 'next week' are flexible terms in Portugal. Do not automatically expect to be told if deadlines or goals are going to be missed.
- For any following meetings it is wise to ensure commitments [documents, actions, etc.] are made explicit and put in writing.

Further resources

UK Trade & Investment: Support for those wanting to do business in/with Portugal. www.uktradeinvests.gov.uk
The Portuguese Chamber - provides a business networking forum for companies and individuals both in the UK and Portugal. www.portuguese-chamber.org.uk
The British-Portuguese Chamber of Commerce - founded in 1911, this independent, non-profit organisation promotes commercial links between businesses in the UK and Portugal. www.bpcc.pt
Portugaloffer.com - a sound initial reference if looking for a supplier, customer, agent, or partner in Portugal. www.portugaloffer.com
Welcome to Portugal - information about tourism, trade, investment, as well as general information about the country. www.portugal.org
ICEP - Portugal in Business is a government agency whose purpose is to promote Portugal internationally as a producer of high-quality goods and services. www.portugalinbusiness.com

Please note: While every effort is made to ensure accuracy, the Regional Language Network does not take responsibility for the content of this briefing. Opinions expressed are not necessarily those of the Regional Language Network or of CILT, the National Centre for Languages.

RLN East Midlands: promoting a greater national capability in language and cultural skills for business and employment.
Tel: 01332 826432
Fax: 01332 826393
www.rln-eastmidlands.com