DIFFERENCES IN DOING BUSINESS IN BRAZIL AND NORWAY: EVIDENCE FROM NORWEGIAN EXPATRIATES

Dissertation presented to the Escola Brasileira de Administração Publica e de Empresas for obtaining a master degree in International Management

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Rio de Janeiro, February 2010
ABSTRACT

With more and more business being done between Brazil and Norway we are seeing an increasing number of expatriates from Norway moving to Brazil to work. Most are related to the oil and gas industries. With the two cultures, countries and backgrounds being so different what are some of the issues and challenges that arise?

Using existing literature as well as face-to-face interviews of Norwegian expatriates working in Rio de Janeiro this thesis tries to compare the two countries and at the same time explore some of these potential issues. The research focuses on differences in trust, negotiation style, planning, organization, conflict as well as general cultural challenges.

Analysis of the responses shows that for some issues there are no clear problems or challenges but for others there are. Specifically the treatment of time and the general timeliness in Brazilian society seems to be a challenge for Norwegian expatriates. Secondly and equally as challenging is the hierarchical way of organizing businesses in Brazil compared to the flatter structure found in Norwegian businesses. With the hierarchy comes also bureaucracy, another factor that the subjects in this thesis found to be difficult to deal with.

The thesis is divided into 6 chapters starting with “introduction”, followed by chapter 2 “Literature review”. Chapter 3 is “Research Methodology” followed by chapter 4 “Data presentation”. Finally the results are discussed in chapter 5 “Analysis and discussion” and concluded in chapter 6.
TABLE OF CONTENTS

Abstract 2
Table of contents 3

1. Introduction: The importance of cross-cultural research for business interactions 5
2. Literature review 8

2.1 Cultural dimensions as proposed by Hofstede 9
2.2 Criticism levied against Hofstede research conclusions 12
2.3 Brazilian additions to the study of cultural dimensions 14
2.4 Other relevant contributors on culture 16

3. Research Methodology 19

3.1 Research design 19
3.2 Data collection 19
3.3 Evaluation process and limitations 20

4. Data presentation 21

4.1 Question 1 22
4.2 Question 2 22
4.3 Question 3 – “Trust” 22
4.4 Question 4 – “Trust” 23
4.5 Question 5 – “Negotiations” 24
4.6 Question 6 – “Negotiations” 26
4.7 Question 7 – “Planning” 27
4.8 Question 8 – “Good vs. bad times” 28
4.9 Question 9 – “Conflicts” 29
4.10 Question 10 – “Conflicts” 31
4.11 Question 11 – “Organization” 33
4.12 Question 12 – “Organization” 35
4.13 Question 13 – “Overall challenges” 37

5. Preliminary analysis of the research findings about
   Brazil-Norway ways of doing business 40
   
5.1 What issues arise from differences in trust 41
5.2 Differences found in negotiation style 42
5.3 Differences in planning practices 43
5.4 Distinctive components on how to handle conflicts 44
5.5 The most important distinctions in organization 46
5.6 Differences in behavior during good vs. bad times 48
5.7 Major cultural challenges for Norwegians working in Brazil 48

6. Concluding remarks and suggestions for the implications
   of cultural differences on effective management 49
   
6.1 Limitations, personal opinion and suggestions for further research 54

7. References 57

Appendix A – interview questions 60
Appendix B – Interview responses 61
1. Introduction: The importance of cross-cultural research for business interactions

The purpose of this chapter is to provide a brief overview of the Thesis. The chapter is divided into 5 parts, starting with a general background before moving on to problem discussion. Next are research importance and the research focus and objectives. Finally the structure of the thesis is laid out.

As more and more Norwegian companies are both doing business with Brazil and also establishing fully owned companies in Brazil, the number of Norwegian workers arriving in Rio de Janeiro and other Brazilian states is rapidly increasing. Most of these businesses operate in the oil and gas related industries, most of them with Petrobras either directly or indirectly. The government run agency “Innovation Norway” (with offices in Rio de Janeiro) lists a total of 66 Brazilian companies currently owned by Norwegian citizens or Norwegian capital. The number has increased drastically in the last few years and is expected to increase even more as Brazil becomes an even bigger player in the worldwide oil and gas market.

The two countries and cultures are quite different in a number of ways. On the one hand Brazil is the worlds fifth largest country with the ninth largest economy. The Portuguese colonized the country for nearly three centuries until the year 1822. In more recent history Brazil has undergone more than half a century of populist and military rule, ending as late as in the year 1985. Its people are multi ethnic and have differing cultural backgrounds. The predominant religion is Roman Catholic and their native language is Portuguese. The country has a mostly tropical climate although the south can be temperate in winter.

Brazil’s economy is growing strongly, mainly due to the discovery of large amounts of oil within its borders. It’s GDP (Gross Domestic Product) has nearly doubled in nine years starting in the year 2000 at US$ 1057 billion and reaching 1849 billion in the year 2008 (CIA World Factbook). Despite this, high inequalities in the income distribution remain a problem that at least in part fuel
the problems related to crime. Brazil currently has over 198 million inhabitants and politically it is a republic.

Norway, on the other hand, is a quite small country in northern Europe with only 4.6 million inhabitants. It’s history includes a more than four centuries long union with Denmark and later a much shorter union with Sweden. Norway became independent in the year 1905. World war II saw Norway being attacked by Germany and was occupied for five years. Oil and gas was discovered in the Norwegian Sea in 1967, and has since boosted Norway’s economy tremendously. According to the CIA World Factbook Norway’s GDP in 2008 was 246.6 billion $, more than doubling in the nine years since the year 2000 level of 111.3 billion $. It is important to note that with a GDP per capita of 54900 USD in 2009, it is almost 6 times as big as that of Brazil (9400 USD in 2009).

It’s people are 95% ethnic Norwegian, the native language Norwegian and the predominant religion is the Protestant church of Norway. The climate is best described as cold, with long winters. Politically it is a constitutional monarchy and government intervention is combined with free market activity in an economy that can be described as welfare capitalism.

Having the benefit of being Norwegian, during my time as a student in Brazil I have come to discover some of the many differences that exist between the two countries and cultures. As a business student my area of interest is especially the way business is done in these two countries separately and of course what happens when they try to do business together. Norwegian expatriates working in Rio de Janeiro with Brazilian colleagues have plenty of experiences including misunderstandings, frustration and inefficiency, but also some experiences that give hope for a better understanding between these two very different cultures. As trade between Norway and Brazil increases, especially in the oil and gas sector, it seems particularly relevant to explore some of the underlying differences and try to explain why issues/problems occur and perhaps suggest ways for management to improve this.

With more and more Norwegians coming to Brazil to work, the two business cultures naturally interact more and more as well. This Thesis aims to compare
the two business cultures using existing literature as well as supportive face-to-face interviews with Norwegian expatriates in Rio de Janeiro.

Based on the scholarly research by Geert Hofstede (1991) it is fair to assume that Brazil and Norway are quite different indeed. The five dimensions score as follows: Power distance (Brazil 69 and Norway 31), Individualism (Brazil 38 and Norway 69), Masculinity index (Brazil 49 and Norway 8), Uncertainty avoidance (76 and Norway 50) and finally Long-term orientation (Brazil 65 and Norway 44). It is also interesting to see how the two countries differ in relation to an issue such as trust.

This research would be important for both Brazilian and Norwegian companies that are currently doing business or plan to do so in the future. It is my belief that with increased knowledge and a bit of preparation, a Norwegian expatriate stationed in Brazil will co-operate with his or her Brazilian colleagues better, quicker and with shared smiles instead of facing potentially difficult situations.

The main objective of this research has been to explore the ways cultural issues affect the way business is done in Norway and in Brazil, focusing on Norwegian expatriates experiences living and working in Rio de Janeiro. What issues face these expatriates, what situations are they often confronted with? Are there obvious actions one can take to solve these issues? Maybe a clearer view of what the main differences are could help improve how these challenges are met by the management of companies from both countries.

The main areas discussed are trust, negotiation style, planning, organization and conflict. These main discussion areas were chosen by the researcher because they are my reading of the biggest differences between Brazil and Norway.

It is expected that the research will show some issues that are mostly trivial problems, but also some larger issues that relate to how the two countries are organized from a governmental level, how their history affects their behavior today and also how attitudes towards central issues such as trust are problematic for joint co-operation. It is also expected that some common ground
will be found that will be useful for suggesting possible solutions/ways around some of these issues.

As a Norwegian, I was able to provide a unique twist to the analysis. As an insider with regard to both Norwegian business culture and as an expatriate living in Brazil, this circumstance enabled me to probe the most sensitive issues with a good degree of openness on the part of interviewees.

This thesis is structured in 6 main chapters and starts with an introductory chapter where the general background for the research is presented, followed by a discussion of the problematics and the focus and objectives of the research.

Chapter 2 – “Literature review” presents the reader with an overview of the existing literature related to research questions of the study. It will use existing knowledge to describe the two countries business culture allowing for later comparison.

Chapter 3 – “Research methodology” explains the applied research methodology, the tools used and how the data was collected.

Chapter 4 – “Data presentation” provides a presentation of the collected interview data.

Chapter 5 – “Analysis and discussion” relates the study to theory and discusses the main findings of it.

Chapter 6 – “Conclusions and implications for management” will provide some general conclusions and recommendations for management in both countries. Finally, further studies are suggested.

2. Literature review

The purpose of this chapter is to give a summary of the literature background for the thesis. The chapter is divided into four parts after the type of author starting with Hofstede’s cultural dimensions and critics of that model.
This research will be based on literature on cultural differences, political differences and literature on the business environment in Norway and in Brazil. This literature will be taken from a number of sources including governmental websites and international reports. Focus will be put on exploring the two countries and then mapping out some of the more important differences that can lead to challenges when they interface.

2.1 Cultural dimensions as proposed by Hofstede

Central to this thesis is the scholarly work of Hofstede (1991) and his book “Culture and Organizations: Software of the mind” where four (later five) dimensions of cultural differences are established. Hofstede has quotes such as: “Culture is more often a source of conflict than of synergy. Cultural differences are a nuisance at best and often a disaster.” In his early career he was a psychologist at IBM (International Business Machine) and in this period (1967-1973) he collected and analyzed data from more than 100 000 individuals from forty countries. He later added several countries and from this data he developed a model that identifies four primary dimensions to differentiate cultures. He called these dimensions “Power Distance Index”, “Individualism”, “Masculinity” and “Uncertainty Avoidance Index”. He later added a fifth dimension that he called “Long-term Outlook”.

“Power Distance Index” intends to measure the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Examples of countries with a low power distance index include Austria, Australia, Denmark and Norway. In these countries people expect and accept power relations that are more consultative or democratic. People relate to one another more as equals regardless of formal positions. Subordinates are more comfortable with and demand the right to contribute to and critique the decisions of those in power. In cultures with high power distance (for example
Malaysia, Guatemala and China), the less powerful accept power relations that are autocratic or paternalistic. Subordinates acknowledge the power of others based on their formal, hierarchical positions. Thus, Low vs. High Power Distance does not measure or attempt to measure a culture’s objective, “real” power distribution, but rather the way people perceive power differences. Power and inequality, of course, are extremely fundamental facts of any society and anybody with some international experience will be aware that all societies are unequal, but some are more unequal than others.

“Individualism” versus its opposite, collectivism, indicates the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. In individualist cultures, people are expected to develop and display their individual personalities and to choose their own affiliations. Examples of individualist countries are the United States, Australia, Great Britain and Canada. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents), a religious group, an age cohort, a town or a profession that continue protecting them in exchange for unquestioning loyalty. Collectivist countries according to Hofstede are for example Guatemala, Ecuador, Panama and Venezuela. The word “collectivism” in this sense has no political meaning: it refers to the group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

“Masculinity” versus its opposite, femininity, refers to the distribution of roles between the genders, focuses on the degree the society reinforces, or does not reinforce, the traditional masculine work role model of male achievement, control, and power. A high masculinity ranking indicates the country experiences a high degree of gender differentiation. In these cultures, males dominate a significant portion of the society and power structure, with females being controlled by male domination. A Low masculinity ranking indicates the country has a low level of differentiation and discrimination between genders. In these cultures, females are treated equally to males in all aspects of the society.
Hofstede's IBM studies revealed that (a) women's values differ less among societies than men's values; and (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called “masculine” and the modest, caring pole “feminine”. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values. Examples of countries with high “masculinity” are Japan, Austria and Venezuela. At the other end of the scale we find the “feminine” countries, for example Sweden, Costa Rica and Norway.

“Uncertainty Avoidance Index” deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising or different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute truth; “there can only be one truth and we have it”. People in uncertainty avoiding countries are also more emotional, and motivated by inner energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions. A high uncertainty avoidance ranking indicates that the country has a low tolerance for uncertainty and ambiguity. Examples of such countries are Greece, Uruguay and Portugal. This creates a rule-oriented society that institutes laws, rules, regulations, and controls in order to reduce the amount of uncertainty. A low uncertainty avoidance ranking indicates the country has less concern about ambiguity and uncertainty and has more tolerance for a variety of
opinions. This is reflected in a society that is less rule-oriented, more readily accepts change, and takes more and greater risks. Examples of countries with lower “uncertainty avoidance” include Jamaica, Singapore and Denmark.

“Long-term Orientation” versus short-term orientation: this fifth dimension was found in a study among students in 23 countries around the world. It can be said to deal with “virtue” regardless of “truth”. Values associated with “long term orientation” are thrift and perseverance. This is thought to support a strong work ethic where long-term rewards are expected as a result of today’s hard work. However, business may take longer to develop in this society, particularly for an “outsider”. Values associated with “short term orientation” are respect for tradition, fulfilling social obligations, and protecting one’s “face”. China, Japan and Taiwan are examples of countries with a high “long term orientation”. A low “long term orientation” ranking indicates the country does not reinforce the concept of long-term, traditional orientation. In this culture, change can occur more rapidly as long-term traditions and commitments do not become impediments to change. Examples of countries with lower/shorter “long term orientation” are Canada, Philippines and Great Britain. Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher who lived around 500 B.C. However, the dimension also applies to countries without a Confucian heritage.

2.2. Criticisms levied against Hofstede research conclusions

There are many critics to this very popular index developed by Geert Hofstede. Holden (2002) went as far as saying that the sweeping acceptance of his cultural dimension model is “intellectually numbing”. Holden also notes that these data are over 30 years old and it can therefore be argued that this “world” no longer exists. The political environment has changed drastically and societies values may have shifted in this time period as well.

McSweeney (2002) is another critic of Hofstede’s cultural dimensions model. In his work: “Hofstede’s model of national cultural differences and their consequences: a triumph of faith - a failure of analysis”, he delivers an
uncompromising critique, claiming that Hofstede’s work relies on fundamentally flawed assumptions, such as “every micro-location is typical of the national”. McSweeney argues that the generalizations about national level culture from an analysis of small sub-national populations necessarily rely on the unproven (and improvable) assumption that within each nation there is a uniform national culture and on the mere assertion that micro-local data from a section of IBM employees was representative of that supposed national uniformity. McSweeney also criticizes Hofstede’s notion of uniform worldwide occupational cultures and a uniform worldwide IBM organizational culture. She questions whether dimensions of national culture can really be identified by a questionnaire, and in particular by one which was originally not even designed for that purpose. Researchers who asked different questions have come up with quite different descriptions of specific national cultures McSweeney argues. Even if we assume, McSweeney says, that the answers to a narrow set of questions administered in and mostly about the workplace are “manifestations” of a determining national culture, it requires “a leap of faith” to believe that Hofstede actually successfully identified those cultures.

Myers and Tan (2002) criticize Hofstede’s approach from an information systems angle. Although they agree that an understanding of cultural differences is important for the successful deployment of information technology, they consider the concept of ‘national culture’ too simplistic. Instead, they propose that information system researchers should adopt a more dynamic view of culture, one that sees it as contested, temporal and emergent.

Orr and Hauser (2008) also criticize Hofstede’s work in their paper “A Re-inquiry of Hofstede’s Cultural Dimensions: A Call for 21st Century Cross-cultural Research”. The authors conducted three quantitative analyses that were performed using domestic U.S., Asian, and Australian samples. This study found some problems with Hofstede’s research. These issues were primarily related to validity and reliability issues but the authors also concluded that Hofstede’s factors overlap significantly and do not share a common factor structure within or between cultures. Additionally, the study suggests the need for re-examining the cultural dimensions within the global information based context of the early
21st century. Cross-cultural relationships in politics, economics and business are changing fast and the authors point out that in a changed world Hofstede's model is no longer as relevant and needs to be updated.

2.3 Brazilian additions to the study of cultural dimensions

The book “Carnivals, Rogues and Heroes: An interpretation of the Brazilian Dilemma” by “Roberto DaMatta (1991) discusses several topics that are all central to this thesis. DaMatta is quoted as saying “Brazilian style capitalism is a system where workers take all the risks and none of the profits”. In trying to describe “what makes Brazil Brazil "he makes the point that Brazil is “ritualized” in many social ways (for example, carnival military parades). He also argues that there is a setting in which Brazilians feel that they can talk “among themselves” openly according to unwritten social rules. DaMatta argues that certain things are never said in front of “children or foreigners”, because deep down the Brazilians might be a little ashamed of it. This does not however, stop them from imposing these “social laws” on each other. An example of this is the sentence “Do you know who you are talking to?” which implies that everyone should “know their place” in society. This “society” or “place” is often hard for non-Brazilians to figure out, but DaMatta argues every Brazilian knows the meaning of this.

DaMatta also argues that there is a distinction in Brazil between the individual and the person. By this he means that “the individual” has a right to his own space, is equal and parallel to others, has fundamental rights, has an individual consciousness and an individual “makes his own rules” in the world which he lives. On the other hand a person is someone who is “submerged” in the totality to which he is necessarily bound, a person is complementary to all others, has choices but all are subject to a moral dilemma, has public indignation and the rules of the world in which a person lives are given.

DaMatta is also quoted as saying “in the Protestant, capitalist system, the body accompanies the soul, money follows work, and the individual makes the world and its rules”. He continues to say: “But in the Brazilian system, the body is less
than the soul, money is separated from work, and persons hold sway”. He also claims that Brazilian society has the classic complementary oppositions between man/woman, old/young, house/street, the good life/work.

Further this thesis will look at the Brazilian “jeitinho” that is essential to understand in order to see why business is done a certain way sometimes in Brazil. Amado and Brasil’s (1991) paper on “Organizational behaviors and cultural context: the Brazilian jeitinho” is an important source where the authors explore the cultural aspect of the behavior of organizations in Brazil. They look at characteristics of managerial performance as well as the hierarchies that exist in organizational structure.

The “jeitinho” is a way to grease the wheels of government or the bureaucracy, so as to obtain a favor or to bypass rules or regulations. Jeitinhos fall halfway between legitimate favors and corruption, but at least in popular understanding they lean in the direction of the extralegal. Favors, in addition, imply a measure of reciprocity, a courtesy to be returned. One never pays for a favor, but a jeitinho is often granted by someone who is not a personal acquaintance, and must be accompanied by a tip or even a larger payoff.

Part of the problem stemmed from the swollen bureaucracy at all levels of government in the past centuries. Everyday life in Brazil necessitated constant interaction with bureaucratic regulations, government officials, public agencies, and other representatives of authority. This led Brazilians to find a way.

The jeitinho is also an informal problem-solving strategy in organizations. It is a social mechanism that entails bending or breaking the rules in order to deal with difficult or forbidding situations. It is a particularly useful informal strategy to get things done in business organizations. Although it can be argued to be a symptom of a dysfunctional system, it is a way of getting around things, a loophole, an alternative way of doing something. Since in some cases, doing things the official or legal way is very complicated, Brazilians will use the jeitinho in order to get things done. That doesn’t mean the jeitinho is entirely due to dysfunction as people sometimes use it just to accomplish a task faster or just more efficiently.
Several kinds of behavior are associated with the jeitinho. Government officials can fail to perform a legal duty (for example by issuing a contract to the highest bidder), speedy completion of paperwork is available only in exchange for a bribe or because the official knows the applicant, officials look passed an unreasonable or economically prejudicial legal obligation (for example, laws requiring compensating bank balances or deposits at low interest) or they fail to enforce rules or laws because they think the law is unjust or unrealistic. The first two cases are corrupt, but the last two fall into a gray area where public purposes are arguably served by evading legal obligations. Some applications of the jeitinho, of course, involve mixed kinds of motives, combining payoffs or favoritism with a sense that the outcome will be reasonable and even legitimate.

This concept of the jeitinho can be very difficult to understand for a Norwegian expatriate working and living in Brazil. Norway being a country where rules are set in stone and corruption is almost non-existent these Norwegian expatriates need to educate themselves about how the Brazilian system works so that they can better understand the inner workings of the Brazilian society.

2.4 Other relevant contributions on culture

Thesis conflict is one of the issues looked at and one of the areas explored is the basis of conflict. This may be task related or relationship related. De Dreu and Weingart's (2003) paper "Task versus relationship conflict, team performance and team member satisfaction: a meta-analysis" is interesting as it shows that conflict was negatively correlated to team performance (more so on high complex tasks compared to simpler tasks). The purpose of the paper was to look at the associations between relationship conflict, task conflict, team performance, and team member satisfaction. The results revealed strong and negative correlations between relationship conflict, team performance, and team member satisfaction. But more interestingly the results revealed strong and negative correlations between task conflict, team performance, and team member satisfaction. It is believed that Norwegians will be slightly more task
related and Brazilians more relationship focused. Therefore these results are interesting as they show a negative effect on team performance when the conflicts are based on relationships, but the opposite when conflicts are task related.

Kaushal and Kwantes (2006) have published a paper entitled “The role of culture and personality in choice of conflict management strategy” where they show that in countries with low power distance cultures, like Norway, people will likely prefer more assertive conflict management strategies as they feel free to openly discuss their ideas and points of view from a more equalitarian perspective. As the world becomes more and more globalized cultural diversity and its influences on personal, social, and organizational practices are becoming very important issues. The world is becoming a smaller place and the potential for conflict in our daily interactions is increasing, also in the case of Norway and Brazil. The results from Kaushal and Kwantes (2006) are interesting to this research as the scores on “power distance” are very different between the two countries Brazil and Norway. Conflict resolution is important to employee satisfaction, and also related to business output. Therefore the cultural differences between Brazil and Norway are of interest especially when it comes to conflict resolution.

Sobral and Biesling (2009) wrote the paper “A cross-cultural comparison of intragroup conflict in the Netherlands and Brazil” where they demonstrate that cultural differences between the Netherlands and Brazil not only influences the way intragroup conflict is experienced, but also its relationship with performance. Using a survey completed by 149 team members as well as 20 team managers did this. The findings showed that in Brazil, relationship and task conflicts were negatively associated with individuals’ satisfaction and perceived team performance, while in the Netherlands, no significant relationships were found between both types of conflict and team performance. The results suggest that intragroup conflict might be culturally specific and this is interesting to note also in the case of Norway and Brazil. It may be that in Norway like in the Netherlands the reason for any given conflict, be it emotional or task related, does not influence team performance. Cultural differences are the main issue in
this research and as such the findings of Sobral and Biesling are interesting when we look at conflicts in the workplace.

Smith (1992) conducted research to find out to what degree organizational behavior is found to vary between national cultures. In the article “Organizational Behavior and national cultures” he uses a survey to look at classifications of managerial values by national culture, organizational structure, leadership behavior, negotiation processes and human resource management policies. The paper concludes that there is an increasing need to prepare managers for multicultural experience. The author touches on very relevant issues that are discussed in this research, especially the need for education because of the vast cultural differences that exist between Brazil and Norway. The benefits of preparing well before an assignment in another country are undoubtedly great and in many of the examples mentioned by the interviewees in this research better preparation would clearly have lightened the experience. The author also mentions the need for focus on the selection process, or “sending the right people” as some of the Norwegian expatriates said in their interview sessions.

“Cultural Typologies and Organizational Environment: A Conceptual Analysis” is the title of Machado and Carvalho’s (2008) paper from the Latin American Business Review. Here the authors go through the existing typologies of organizational culture, examining their similarities and differences. The material looked at include Hofstede (1991) which is used extensively in this thesis. A model was then proposed that incorporates the typologies referred to, helping others to analyze broadly the field of organizational culture. This paper is an exploratory one in that it tries to gather existing theories on organization and then apply a model. The differences that exist between the way in which Brazilian and Norwegians companies are organized are substantial and therefore the research of Machado and Carvalho (2008) can help aid a better understanding.
3. Research Methodology

This methodological chapter was designed to present the process of how the research has been planned and realized. It is divided into four parts. First, it explains the research design of the study. Then the chapter will give an overview about the used sources of evidence as well as describe how the data were collected. After this, the chapter will describe the evaluation process. Finally, the chapter will give a brief overview about the limitations of the methodology.

3.1 Research design

The objective of this thesis is to compare the two business cultures of Norway and Brazil and using experiences from Norwegian expatriates working in Brazil attempt to describe some of the challenges faced when two so different countries interface.

In order to reach this objective the thesis will use existing literature and other written sources of information as well as supporting evidence from face-to-face interviews. The research is comparative and will focus on finding differences between the two countries with regard to systems, business culture and politics using existing literature. As much as possible, the interviews will try to enrich and enlighten some of these findings. The interviews are to be seen as supplementary to the core literature research.

The reason for choosing to write a comparative/exploratory project is because the problem or issues here have not been clearly defined and I feel it is necessary to find out more about the “what”, “why” and “how” before a clear hypothesis can be defined.

3.2 Data collection

As for data collection methods, the research will be made up of critical analysis of existing literature, complemented by qualitative analysis of interviews of nine Norwegian expatriates in Brazil. The questionnaire can be
found in the appendix. These methods were adopted because they fit best for the research objective. The interviews were all in-depth and face-to-face. All analysis is qualitative and interpretive. Caution was taken in order to phrase the questions in the best possible way as to avoid confusion and in order to stay as straight to the point as possible. The interviews were recorded and later written down word by word. This material can be found in the appendix of this thesis.

The interviews are structured in the sense that they were all given by the thesis author, all questions were the same and were given in the same order. The questions were all read exactly as they are written on the questions sheet (see appendix A). Most of the interviews where done at a café or similar, always in a neutral location. Two interviews where done in the interviewees home and one was done in the thesis author’s home. Also, on one occasion an interview was done at the airport. The interviews were usually done in 35-45 minutes, and a tape recorder was used so that the interviews could be written down word by word at a later time.

Strength associated with using interviews as evidence is the fact that they are targeted and focus directly on the case study topic. Interviews can also be insightful, as they provide perceived causal inferences. On the other hand, weaknesses associated with interviews are that they can be biased (for example due to poorly constructed questions), there can be a response bias or inaccuracy due to poor recall or just plain reflexivity where the interviewee just gives what interviewer wants to hear. Also, there is a chance that interviewees might feel uneasy about the anonymity of their responses when they interact in face-to-face interviews.

3.3 Evaluation process and limitations

General background information on Brazil and Norway are compared to provide the reader a basis from which to judge the issues raised by the interview data. The evaluation of the data collected from the interviews starts with a qualitative analysis of all the responses, question by question. Examples are given when available in order to relate certain issues to a real-life story.
Discussions are then made about the issues raised in each of the questions and reference is made to findings in the existing literature.

Limitations for the research methods used in the project are, for example, the fact that perceptions are, by definition, personal and subjective and the interviewees may provide information that is not applicable for the larger population and only relates to that person specifically. In addition to this, interviews were conducted only with Norwegians so we are only getting one side of the story. Other limitations are that although there exists a lot of research on culture, ways of doing business, Norway versus Brazil, there are no studies that deal specifically with the relationship between Brazilians and Norwegians. This means the research will be in somewhat “uncharted” territory and hence will have little to compare in respect to previous research.

4. Data presentation

This chapter will start by giving some general information on the interviewees. Then the questions and the responses will be presented on a question-by-question basis.

The interviewees are all Norwegian men born in Norway, who have lived most of their lives in Norway. They are all currently employed by Norwegian companies to work in Brazil on projects that are related to their Norwegian companies investments in the region. The questions (see appendix) are 13 in total and the interviewees are 9 in total. The questions are related to 5 overall topics that have been chosen by the thesis author. These topics are “Trust”, “Negotiation style”, “Planning”, “Conflicts” and “Organization”. Each question will be discussed and analyzed before moving on to the next.
4.1 Question 1 – *How long have you been working in Brazil and in what industry?*

The first question together with the second question is designed to give the interviewee a profile. Out of the nine interviews the shortest time spent working in Brazil was recorded at 3 months and the longest was 6,5 years. A simple average gave our interviewees close to 3 years (2,85) of experience as expatriates in Brazil. As expected their industries were all related to offshore activity with 3 subjects stating “oil and gas” as the industry they work in. Another 2 subjects gave “ship building” as their industry followed by 2 subjects who work with “dynamic positioning” of ships and oilrigs. The last interviewee had a broader definition using “offshore” as his industry. This information correlates very well with the information provided by the Rio de Janeiro office of Innovation Norway in their list of Norwegian owned companies that operate in Brazil.

4.2 Question 2 - *What is your current position in the business and how old are you?*

The average age of the interviewees is 36.5 years with a range from 30 years old up to 45 years of age. Current positions held were “Senior Systems Engineer” in three of the cases. Further two of them stated “General Manager” as their title and the last four subjects were “Customer Support Manager”, “Key Account Manager”, “Ship manager” and “Project leader” respectively. The subjects have either technical expertise needed in their respective industries or are managers as part of the management team.

4.3 Question 3 – “Trust” - *In your opinion, how is trust between colleagues different in Norway and Brazil?*

With the exception of one subject, our interviewees all thought there were significant differences in the level of trust if Norway and Brazil are compared. The perception is that Norway is a country were people and businesses trust
each other more and business is based on this common understanding. The answers to this question revealed that a third of our interviewees felt that things are checked, and re-checked more in Brazil. This they see as a sign of less trust. Also, two of them mention Brazilian organizations as being very hierarchical and that this system in itself can contribute to less trust, or perhaps be in place partly because there is little trust to begin with. One subject mentioned that trust is something that takes time to build anywhere, but that for him it felt harder and took longer time in Brazil than in Norway.

Brazil’s history was also mentioned as a possible contributing factor to this perceived lower level of trust. One subject also argued that his Brazilian colleagues and business contacts all preferred a face-to-face meeting over e-mails or phone conversations. This he felt was another indicator of lower trust levels. Finally, another subject stated that he felt less trust towards his Brazilian employees as he was left with the feeling that “out of sight, out of mind” was the general state of mind at his workplace in Brazil.

As one of our subjects put it: “There is less trust here in Brazil. Society is much more controlled, it has in my opinion an historical side to it. You don’t trust anyone, you control them instead. Everything is double checked, especially when it comes to money and finances”.

4.4 Question 4 – “Trust” – What factors are these differences due to?

This question aims to find out what the interview subjects personally think are the factors that create the differences in trust between the people of Norway and Brazil. The responses were quite different, but all of our subjects tried to give a reason for the difference. Two subjects said it was “cultural”, another subject said it could be because of the hierarchical way that society is organized and that the underlying reasons may have to do with the fact that very few people in Brazil hold most of the power and that in Norway there is overall and in the workplace especially very little “distance” between people on the so-called lower and higher levels. Another reason suggested was that the education level is more similar (high) among Norwegian workers than is the case in Brazil. One
subject pointed the finger at the Norwegians saying that if there is mistrust in Brazil between the Brazilians and the Norwegians then it could be because some Norwegians come to Brazil with the wrong “attitude” and that they should use more two-way communication at work. It was also pointed out that there is a more real feeling of fear in Brazil over loosing one’s job than is the case in Norway where very few people are fired at all (strong labor laws being one factor). The face that the two countries are very different in number of inhabitants was also mentioned as a factor.

One interviewee had his own theory: “In the case of Brazil it is because of the social hierarchy. The lower you are in the system the more accustomed you are to fighting for way, and this results in people not trusting each other as they always have to compete. The higher you get in the hierarchy, the more you want to protect yourself against the people climbing up. This I think is a natural part of living in a class society”.

Lastly, one of the nine interviewees said that in his point of view there was no real difference in the level of trust in Norway and Brazil. Overall there seemed to be different ideas on what the factors might be, and there was no real consensus among the interview subjects.

4.5 Question 5 – “Negotiations” – How would you describe the differences in negotiation style?

In this next question we try to find out the interviewee’s opinions about the differences in negotiation style between Norwegians and Brazilians. Again the responses to the questions are not very unified. The subjects reply based on their personal experience and interpretations of the question differ. Two of the interviewees excused themselves saying they had little or no experience from negotiations in Brazil and hence did not want to comment. However, the one difference most of the subjects touched on is the relationship towards time in Brazilian negotiations. One subject said that since everything is or at least seems negotiable it will inevitably take a lot of time compared to the Norwegian model where it has been agreed beforehand what is on the table for discussion. Another
two interviewees said that generally the meetings and negotiations take a lot of time and that even variables like when the meeting starts is fluid. This is by the same two subjects stated as “disrespectful” and it is related to maybe one of the biggest general differences in the two societies and that is how time is treated and perceived. Another point was made about the results of the negotiations, these agreements were said to never be final, a concept that seems very hard for the Norwegians to accept as they are used to the concept of “a deal is a deal” in Norway.

Another point that was made is related to the feeling the Norwegians have that the Brazilians show up at negotiations very prepared. One subject said the Brazilians show up very aggressive, and that they are there to win. Another subject did not agree, saying that he felt the Brazilians were there to achieve a win/win situation. Most subjects agreed that in Norway the common goal is to have a friendly negotiation where a win/win situation is achieved and a long-term relationship beneficial to both parties is the end result.

Other opinions uttered include that Norwegians need to prepare more before negotiating in Brazil, and that the lack of trust makes this very important. In one interview it was mentioned that Brazilians are good listeners in the negotiations, but another interviewee argued that there is a lot of stretching time, aiming at not reaching a solution and generally not taking responsibility. Sometimes the Brazilians, according to one interviewee, have been known to use Brazil and the “system” there as an excuse saying things like “Well you know Brazil...” in negotiations.

Also, the interviews uncovered a feeling among one subject that going into the negotiation, the price given by the Brazilians beforehand is never the end price. You are expected to haggle, he said. All in all, it is fair to say that the interview subjects perceive negotiations in Brazil to be quite different from Norway and the main difference is perhaps summarized by this quote from one of them: “my impression is that the Brazilians go into the negotiations thinking everything can happen, they keep all the options open and all parts of the agreement are negotiable".
4.6 Question 6 – “Negotiations” – How can negotiations become more productive between Norwegians and Brazilians?

In an attempt to try to find new suggestions for management in how to make Brazilian Norwegian negotiations more productive the questions was asked to the interviewees. With two of the nine subjects stating in the previous question that they did not have sufficient experience to give an answer, this of course applies to this follow-up questions as well. Of the remaining six, a total of four subjects said that being better prepared before the negotiations would increase productivity. This was especially aimed at the Norwegian side, but one also thought the Brazilians should prepare more. As stated by Sobral, Carvalhal and Almeida (2008), “successful cross-cultural negotiations require an understanding of the negotiation style of those on the other side of the table, and the acceptance and respect of their cultural beliefs and norms”. This statement was underlined by two subjects saying that the Norwegians need to understand that Brazil and its society is bigger and more complex than Norway. One interviewee saw it in the best interest of Norwegians to prepare more, saying: “I think a lot of Norwegians are very naive here in Brazil. They really should prepare more before doing business here. A lot of the things we take for granted in Norway are not to be taken for granted here in Brazil”. Another interviewee simply stated that a greater cultural understanding would benefit both sides and hence increase productivity.

Other suggestions for improved negotiations included agreeing to some of the topics for negotiation before any face-to-face meeting, making for a more effective and productive negotiation. “Time is money” said one interviewee making the point that in Norway this is a very common saying and especially in business. If the Brazilians had agreed to and behaved more according to this, then he believed the meetings and negotiations would be more productive. An unrelated point was made by one subject saying that negotiations would be more productive if the negotiators were more independent, by that meaning that they seek only the good of the company and not themselves personally which was one of his experiences.
Two final points were made, both by two of the interviewees. The first point is that perhaps the Norwegians and the Brazilians should spend more time together outside of work socializing, and that this in turn would raise the level of trust that again would increase productivity in later negotiations. The second point was that negotiations should be final, the two subjects energetic in their disapproval of things related to the agreement changing after deals are done.

4.7 Question 7 – “Planning” – It can be argued that planning is a natural part of business worldwide. Do you feel that Brazilians plan differently and if so, how does it affect the business?

In this question the interviewees give their opinions on the differences in business planning in general in Brazil as opposed to Norway. Again opinions were differing, with one subject saying that planning is totally different in Brazil versus Norway and another subject saying that he thought it is seemed pretty much the same and that the Brazilians were good at planning. The majority though could agree on some important differences. Three interviewees said that planning in Brazil by Brazilians is very detailed. Two subjects agreed saying that the extensive detail makes it hard to see the “big picture”. One subject disagreed saying that planning from his experience in Brazil is too wide and not detailed enough.

Two subjects agreed that most things in Brazil are very last minute and hence there is very little planning. Another subject also stated that “there is not a lot of planning in Brazil”. Two other interview subjects indirectly agreed with that statement saying that “in Norway we plan better”. But the point was made that Norway is a more predictable country and society and because of that is easier to plan in. Brazil was described as difficult to plan in by one subject who argued that things change very often in Brazil. Another interviewee made the point that there are very frequent updates to plans in Brazil and another subject underlined the importance of having plans that can be changed and adjusted as the environment is less predictable.
Norwegians were again encouraged to take steps by one subject saying that “Norwegians should learn shorter planning” when in Brazil. Another argued that Brazilians plan veryoptimistically and that things never end up as planned in Brazil. One subject thought that the Brazilian bureaucracy was to blame for this unpredictability and that the effect on business was that things take longer, plans need to be revised constantly and, as mentioned earlier, time is money – creating costs for the company.

An example of how difficult it can be to plan in Brazil was provided by one of the managers in the shipbuilding industry: “there is a Korean shipbuilding company that has a shipyard here in Brazil and another one in Norway. If they were given the project of building the exact same ship, then this ship would cost about 25% more to manufacture in Brazil. Everything inside the ship is the same, everything on the outside is the same. The reasons for this is that they use about twice as much time here in Brazil and a lot more people are involved. Still with higher human resources costs per person in Norway, they end up being 25% cheaper. All this despite the fact that they would use the same exact plan, already prepared in Korea”.

4.8 Question 8 – “Good vs. bad times” – Do Norwegians and Brazilians act and think differently when business is going really well or really bad? If so, how do they differ?

Here the aim is to show if there are any differences in the psyche of Norwegians and Brazilians during ups and downs or if it is all the same in both cultures. To begin with, three of our nine subjects said they either did not know how to give a good answer to the question or simply said that they did not have enough experience in Brazil to either form an opinion or to notice if there were any differences.

Secondly, there was one subject who stated that there was in his opinion no difference between the two countries. Another interviewee simply said that he thought the Brazilians were generally optimistic in both good and in bad times.
Then there were some subjects who had different perceptions. One reported that in the case of a project or job has been completed successfully the Brazilians share the honor and will say things like “we've done it together”, emphasizing the team. If, on the other hand, the project or job does not turn out to be a success the “blame game” is played. The blame is then put on others he said.

Another interviewee said that in good times the Brazilians businesses will spend money, but that in bad times they will “tighten the belt”, saving costs. This he added was something the Brazilians in his opinion were very good at. It was also argued that Brazilians in general are very good at handling bad times, maybe because they are used to smaller “crisis” now and then stated one subject. The Norwegians are not so good at dealing with bad times another interviewee stated, stating that Norwegians are not as good at dealing with change.

The argument that Brazilians seem comparably more pessimistic at first when things go wrong was also stated by one subject. The same person said that it seemed the Brazilians give up more easily at first. But as another subject said when faced with this question: “I have to say yes. To me it feels like they have higher “highs” and deeper “lows”. By that I mean that when things are working out they are very optimistic and happy. But if things go badly, they are much more down about it than we are in Norway. They tend to give up right away, but given some time they always find a way around the problem, I have to give the Brazilians credit for that”.

4.9 Question 9 – “Conflicts” – How are conflicts between employees in Brazil different from such conflicts in Norway?

Conflicts are something all business has to deal with at some level or another and it is interesting to see if any of the Norwegian interviewees feel there are characteristics that are different in Brazil versus work-related conflicts in Norway. On this question two of the subjects declined to answer, one saying he had no experienced or heard of any conflicts on the job in Brazil and the other felt he did not have enough experience to answer.
Two people mention the Brazilian hierarchy as a difference between the countries and how conflict is dealt with. These two subjects say that because of the hierarchy, it is not about who is “right” in a conflict, it is about who is higher up in the system. Another subject stated that if money is involved, that there is a financial risk connected to the conflict, then somebody will lose his or her job. It is this “fear of losing one's job” that yet another interviewee talks about as one of the main differences between working in Brazil and in Norway. This is also supported by another subject saying that it depends how deep the conflict is, but that there is a real chance of somebody losing his or her job in Brazil.

One subject elaborated as to why he thinks this is, and he mentioned the old “military times” in Brazil where taking responsibility was dangerous if there was a real chance of the project or job not being a success. This would mean losing your job, and he implies that this is part of the reason why these attitudes exist also today.

A point was made about the perceived differences in how Brazilian management view their employees as opposed to how Norwegian management view theirs. In Norway the employees are seen as resources, one subject said, something valuable to the company. My experience so far in Brazil tells me that management see the employees as just something replaceable. Another interviewee simply stated “the two societies are different”, in Norway you can make a mistake and as long as you are open about it, management will give you a “star” because it has been a learning experience not only for you but for the other employees as well.

A very interesting discovery was made when four out of nine interviewees immediately said that conflicts in Brazil are a lot more personal than in Norway. In Norway, one subject said, we can discuss something and disagree strongly, but we are still friends and colleagues afterwards. In Brazil, three subjects stated, it gets very personal quickly. Although, one of the three moderated, it is still “to the point”. “There seems to be focus on the person, not the situation” one subject said, another stating that in Norway it is “more professional”.
A couple of interviewees mentioned that solving conflicts can be different in Brazil. In Norway the employees themselves often sort things out without management interference, or if not then the “closest” manager takes care of it. It hardly ever reaches the upper level of the organization. One subject who is now a manager in Brazil said that at his workplace the Brazilians now have asked him to choose sides, effectively solving the conflict.

Polarization between employee groups is one important difference in Brazil from Norway one subject said, stating that as an employee in Brazil you sometimes have to choose sides even if the conflict is not related to you. This also is connected to the argument that conflicts are personal, not so situation/issue oriented. Another interviewee put it like this: “It seems like one party will have to loose his job, one party is wrong. I would hope for more cooperation to work through the conflict, but sadly that is not my experience so far in Brazil.

4.10 Question 10 – “Conflicts” – How can conflicts between Norwegians and Brazilians be minimized?

In this follow-up question the interview subject gave their suggestions as to how to improve the workplace relations between Norwegians and Brazilians in Brazil. To start there were three subjects who all thought that the Norwegians primarily should remember that they are indeed guests in Brazil. Following up on that two subjects noted that the Norwegian expatriates should be “more humble” in the way they act and another three subjects argued that Norwegians working in Brazil need to accept the system and how it is done in Brazil. Another subject argued that the Norwegians need to show a clearer respect for what Brazil has achieved.

Related to this, one subject who is a manager, emphasized the need to send only “the right” people from Norway to Brazil. By that I mean candidates with the right people skills, he added. The same manager also suggested there be a stronger integration of the Norwegian and Brazilian employees at the workplace in Brazil. He continued to say that language is another reason for conflict and
both “sides” should try to speak a joint language, in most cases this will be English.

“Norwegians have a lot to learn” added another subject, who also said “we often use too much one-way communication” and as we know lack of or bad communication is often a source for conflict. He also added that the Norwegian way of communicating is very direct, and that sometimes this can be misinterpreted by the Brazilians as personal. He also argued that because there is a strong hierarchy in Brazil communication often filters down through it, making it less direct and that is what the Brazilian employees are used to.

Two other interviewees also touched on the Norwegian style of communication as a basis for conflict, however in somewhat different words. One subject thought it would be a good idea if Norwegians did not come to Brazil with a “here's what we are going to do” attitude. He suggested making subtle suggestions instead. The style of management he thought would be better if the Norwegian managers acted more as friends and less as managers around the Brazilian employees. This was supported by another interviewee who argued that perhaps the Norwegian style of communication is too direct.

Another interviewee thought that perhaps the Norwegian style of management could create conflict in Brazil. He added that a key difference that might create conflict is that in Brazil it to him seemed normal for groups of employees to negotiate together, and in Norway an employee never does this he or she will only negotiate individually. The same subject did however add that he generally thought there were no conflicts between Norwegians and Brazilians at his workplace.

In order to reduce conflict, it was commented by two other subjects that because of the cultural differences and the fact that people when born will “accept reality as it is presented to them” maybe it would be a good idea to provide more education and training to the Norwegians before they leave Norway for Brazil. This would perhaps prepare them for a new society better and in turn reduce conflicts.
Another subject simply called for more, clearer and written rules in the organization. This could arguably clear up some misunderstandings that lead to conflict.

One interviewee summarized his thoughts about conflicts between Norwegians and Brazilians in Brazil and stated: “The Norwegians at least should never forget that we are guests in Brazil and we should act accordingly. Be humble! But overall again I have to say that on a personal level the Norwegians and the Brazilians get a long perfectly, much better than I had expected before coming here.

4.11 Question 11 – “Organization” – In what way are Brazilian businesses organized differently than Norwegian companies?

This and the next question focus on how the Brazilian organizations differ from the Norwegian ones. The responses from the Norwegian interviewees show the strongest engagement so far in the questionnaire. It seems clear that this is one of the biggest differences between Norway and Brazil, and it is underlined by the fact that all interviewees stated the two same main differences; that Brazil has a hierarchical system, and that there is a much more “flat” system in Norway.

One interview subject said that Brazil is more conservative, and that the hierarchical way of organizing things is related to society’s class system. He explained business organization in Brazil like this: “Workers here, Managers here”, separated. In Norway he added the is a much more flat structure and not like Brazil where it can almost seem military-like with command lines and such. Also, the system is very bureaucratic he added. Whereas there is one big boss that has responsibility for the entire company here in Brazil, in Norway there are many different managers that have complete responsibility for their field.
Another subject focused on the social side of things saying that in Norway there is a flat structure where the boss is more or less like the employee. The boss will socialize with his employees, and that is seen as a good thing. In Brazil however, management does not socialize with lower level employees. Another interviewee agreed and added that he thought the Brazilians would like the Norwegian way as well. Staying on the social aspect, another subject responded by adding that because of the hierarchy the organizations in Brazil are bigger with more people in them. He also mentioned the social side stating that in Norway the cleaning lady and the managing director can often sit at the same table during lunch and chat away about everyday activities. In Brazil that would not happen he thought. He also added the interesting point of salaries. Whereas in Norway a managing director would probably be paid about 3 times more than the cleaning lady, the same multiplier for Brazil would probably be closer to 20 or more he argued.

Another difference mentioned by one subject was that, in his opinion, Norwegian employees seek responsibility, and they get up and seek information to get work done. He added that as a manager, he felt that the Brazilian employees thought that if there were no orders from above, it was a “green light” to do nothing. Somewhat related to this another subject stated that managers in Brazil tend not to trust “lower level” employees to do a job at same level of quality as himself, and hence he or she is often left with too much work, taking too much time and in the end resulting in a situation where management has to “put out fires” instead.

One subject summarized the main difference by simply stating: “of course there is the difference in organizational structures etc. Here in Brazil it is very “top to bottom”, a hierarchy if you will. In Norway there is much less distance between management and the lower level people”.

4.12 Question 12 – “Organization” – *What issues arise from these differences and how can these issues be resolved?*

Following up on question 11, the subjects here try to give examples of issues that arise due to differences in organization and suggest ways of resolving these. As can be expected, there were very different individual experiences. Still there were similarities mainly caused by the hierarchical system of which the Norwegian expatriates are not accustomed to. One such example was given by one subject who argued that adapting to this new organizational system is hard for the Norwegians. It takes time to learn how to work in a hierarchy and it is easy to break some of the unwritten rules. He suggested all Norwegians when faced with a situation ask a Brazilian first, and then act. Try to learn the system and remember that it is not right or wrong, he said, just different.

When an issue arises, another subject argued, the Norwegians tend to take that issue or problem and bring it out into the open. This sometimes exposes Brazilians who have not done their jobs. The Norwegians will take the problem straight to the top of the hierarchy, a very unpopular thing to do among the Brazilians. Norwegians do this because it gets results, that is our experience. This behavior is acceptable in Norway but not in Brazil he added. These statements were supported by another interviewee that added going straight to the top of the organization with a problem can be dangerous as you might be stepping on some toes along the way. It is difficult for Norwegians to understand and accept the hierarchical system in Brazil, he added.

Related to this, another subject added already in question 11 that when “lower level” employees in Brazil see a problem or potential problem, they often do not report it, as they do not want to seem “demanding”. The result of this behavior is of course delays. As the problem moves up the hierarchy, there will be at one point a situation where the only person that does not know about the problem/issue, is the managing director himself. The end result is usually a big
meeting, somebody is blamed for the problem and he gets fired. Then, the “pressure” on everybody goes away and they can start over.

Other subjects had shorter responses, one saying that the Norwegian way of organizing is better, and that the old fashioned almost military like way that exists in Brazil inhibits business. Another subject simply said that the differences in organization lead to things taking longer time and hence making projects more expensive. A third subject also kept his response short and said that the Brazilian system creates uncertainty and unhappiness among employees and that unfortunately he had no suggestion on how to resolve this. One subject supported the system by saying that perhaps because of all the rules and regulations in Brazil there must be a larger organization and that things perhaps need to be checked and re-checked because of this. But he also added that more managers/leaders in an organization makes it harder to be effective, harder to find out who has the responsibility in a particular situation, and to find out who can make the final decisions. In Norway things are simpler he added, we have a flatter structure and I believe that is more effective for business as it gets the job done quicker.

Another interviewee stated that maybe Norwegian managers in Brazil are a little naive, and that maybe the Brazilian employees prefer a “firm hand” in the business. He argued that there is after all a “strange kind of comfort” in this system where you execute orders and then when a job is done just wait for the next order. In Norway things are different, he added. As employees are given a goal and it is up to them to define how it will be reached, no need for lots of detailed orders.

In summary, one subject put it like this: “I think employees here in Brazil are a little “afraid”, by that I mean they have such an enormous respect for the people above them in the hierarchy that it affects their work. They seem reluctant to be creative, constructive or to solve things a little differently than exactly the way the boss wants it to be solved. The mentality is that it is better to do nothing than
to do something potentially wrong. The result of all of this is that the work becomes ineffective and people don’t get to reach their full potential”.

4.13 Question 13 – “Overall challenges” – For you, what have been the biggest cultural challenges while working in Brazil?

In this final question the aim is to simply see if there are some overall commonalities in how Norwegians perceive working in Brazil, and from this see if they are related to the previous twelve questions that are this project’s main focus. The obvious answer for all Norwegians here is the Portuguese language, but the choice has been made to skip that point as it is so obvious.

The majority of interviewees (five of them) mention the treatment of time in Brazil as the major cultural challenge in the professional lives. This is consistent with answers given in the previous questions. Several of these five subjects stated that the importance of time in Norway is related to respect (for other peoples time) and that time is seen as money. One subject put it like this: “They say they are coming on Monday, but show up on Wednesday – but postpone even more then. You sit around waiting, maybe all day and nobody shows up. Then they call late in the afternoon saying they can’t make it. This is unacceptable in my opinion”.

The second big cultural challenge is to accept and to understand the hierarchy that exists in Brazilian organizations. This was mentioned by three of the interviewees. In this situation there are many people between yourself and an answer to a question/problem one subject said. Another argued that it was difficult to constantly communicate one-way down the hierarchy. Often, he said, these “orders” had to be given several times. Related to the hierarchy of course is the bureaucracy, which was mentioned by two of the subjects as a cultural challenge for them. The bureaucracy is very time consuming and hard for us to understand two of the subjects said. Another interviewee also argued that the bureaucracy has to do with social classes as well and he said living in a society with such social classes was a challenge for him.
The system that the Norwegian expatriates work in Brazil is new to them and when faced with the hierarchy and bureaucracy two subjects said they find it strange that the Brazilians show no willingness to change the system, saying things like “but that’s the way it is”. They don’t “see it” one subject said. Also, this subject said, if he introduces a new way of doing something at his workplace, his Brazilian employees do not just accept it, they need convincing and often they want proof that it’s a better solution.

One manager said that he has initiated a lot of projects at work in Brazil, and they do start, but tend not to finish. He said he feels he always has to remind his employees, and check up on their work. He finds this frustrating. Also he mentioned, communicating with his managers in Norway can be a challenge. Making them understand and accept that things are taking longer to complete in Brazil is sometimes a challenge.

One subject put it differently saying that while working in Brazil he found it hard to hold people accountable. If something goes wrong, or takes a lot longer than it should, it is very hard to find the person responsible. Related to this one subject said that his biggest cultural challenge was that things never seem to go according to plan in Brazil.

Another content interviewee was found in a subject who felt he had no cultural challenges whatsoever. He said he enjoys living in Brazil and that the Brazilians are very sympathetic. If I have a problem at work, I just ask, he said.

5. Preliminary analysis of the research findings about the Brazil-Norway way of conducting business

In this chapter the study findings will be discussed and related to theory. The chapter is organized around how main groups related to the topics in the questionnaire: “trust”, “negotiation style”, “planning”, “conflict handling”, “organization”, “good vs. bad times” and finally major cultural challenges for Norwegians working in Brazil.
5.1 What issues arise from differences in trust

Based on the responses to questions 3 and 4 it is clear that the Norwegian expatriates interviewed in this research find trust to be a major difference between the two business cultures. They see their native country of Norway as being trustworthier in general and comparatively Brazil less so. The feeling is that in the work environment more things are checked and re-checked in Brazil, creating a much more controlled atmosphere which in turn creates a perception of lack of trust.

Reasons for these differences are of course diverse but the interviewees mention cultural differences and the hierarchical layout of society as two reasons. More similar education level was another factor that was argued to be contributive to greater trust levels in Norway. Also, it is feasible that there is a greater fear of loosing one’s job in Brazil and this was pointed out in the responses.

<table>
<thead>
<tr>
<th>TABLE 1. Hofstede’s Cultural dimensions scores</th>
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<tr>
<td><strong>Country</strong></td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Brazil</td>
</tr>
<tr>
<td>Norway</td>
</tr>
<tr>
<td>World average</td>
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Source: retrieved from www.geert-hofstede.com on 5 October 2009

Brazil just like any other industrial nation, trust goes a long way in business. Of the five areas of the Hofstede (1991) Cultural Dimensions shown above, Brazil’s highest is “Uncertainty Avoidance” with a score of 76, which indicates the society’s low level of tolerance for uncertainty. Uncertainty Avoidance
ultimately refers to the search for truth within the society. It also indicates to what extent the members within the society feel comfortable in unstructured situations. In Brazil strict rules, laws, policies, and regulations are created as part of the effort to minimize or reduce this level of uncertainty. The ultimate goal of this population is to control everything in order to eliminate or avoid the unexpected. As a result of this high Uncertainty Avoidance characteristic, the society does not readily accept change and is very risk averse according to Hofstede.

Norway with its lower score of 50 is still a country with a low tolerance for uncertainty, just not as low as Brazil. The world average is set at 64, giving both countries a figure not too far from the average.

**TABLE 2. World Value Survey results – “most people can be trusted”**

<table>
<thead>
<tr>
<th>Country</th>
<th>Total World</th>
<th>Norway</th>
<th>Brazil</th>
</tr>
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<tbody>
<tr>
<td>Most people can be trusted</td>
<td>35.8 %</td>
<td>74.2 %</td>
<td>9.4 %</td>
</tr>
<tr>
<td>Can’t be too careful</td>
<td>64.2 %</td>
<td>25.8 %</td>
<td>90.6 %</td>
</tr>
<tr>
<td>Total</td>
<td>(100%)</td>
<td>(100%)</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

*Source: retrieved from www.worldvaluessurvey.org on 15 October 2009*

This table shows the World Value Survey results for Brazil in 2006 and for Norway in 2007. The total column is the world average. As we can see Brazil has a very low score on the statement “Most people can be trusted” (9.4%), but Norway scores very high at 74.2% compared to the world average of 35.8%. Some of the same results are seen in the statement “Can’t be too careful” where Brazil scores very high at 90.6% and Norway very low at 25.8%. This is underlined by the world average score of 64.2%.
TABLE 3. World Value Survey – “Trust for people of another nationality”

<table>
<thead>
<tr>
<th>Trust: People of another nationality</th>
<th>Total</th>
<th>Norway</th>
<th>Brazil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust completely</td>
<td>7.8 %</td>
<td>15.6 %</td>
<td>2.5 %</td>
</tr>
<tr>
<td>Trust a little</td>
<td>42.7 %</td>
<td>69.5 %</td>
<td>24.5 %</td>
</tr>
<tr>
<td>Not trust very much</td>
<td>22.6 %</td>
<td>12.9 %</td>
<td>29.1 %</td>
</tr>
<tr>
<td>Not trust at all</td>
<td>27.0 %</td>
<td>2.0 %</td>
<td>43.9 %</td>
</tr>
<tr>
<td>Total</td>
<td>(100%)</td>
<td>(100%)</td>
<td>(100%)</td>
</tr>
</tbody>
</table>

Source: retrieved from www.worldvaluessurvey.org on 15 October 2009

Again, using the same survey years (Brazil 2006 and Norway 2007) we find some interesting scores that are related to some of the subjects responses during the interviews. This table shows the level of trust towards people of another nationality and the first statement “Trust completely” shows a low world average at only 7.8% but Brazil is extremely low at 2.5%. Norway scores above the world average at 15.6% perhaps giving fuel to the opinions of some of our interviewees who claim Norwegians are naive.

Statement #2 is “Trust a little” and here we see Brazil scoring at 24.5% and Norway at 69.5%. This again underlines the findings that Brazilians are generally skeptical towards trusting foreigners and Norwegians are generally more open to trusting people from other countries. Statement #3 is the reply “not very much” and here we see that 29.1% of the Brazilians have selected this to fit their opinion best. The corresponding number for Norway is 12.9%. The world average is 22.6%, very close to the Brazilian score in other words. The last statement “not at all” shows some very interesting results. Here, 43.9% of the Brazilian respondents agreed showing that almost half the respondents of Brazil do not at all trust people of another nationality. If this is consistent with reality, it is a of course a very important challenge that needs to be addressed in various ways over time in order to make doing business with foreign investors in Brazil easier. On the other hand, this last statement only 2.0% of the Norwegian respondents stated that they did not trust foreigners. The world average is
27.0% putting the Norwegian score very low and the Brazilian score quite high in comparison. The World Value Survey findings are at least to some degree consistent with the findings of Hofstede (1991) and the interviewees point of view in this Thesis.

There are however papers that are critical of the World Value Survey findings. An example of such is the paper “Measuring trust: An Experiment in Brazil” by authors Lazzarini, Madalozzo, Artes and Siqueira (2004). They replicate a study made by Glaeser, Laibson, Scheinkman and Soutter (Quarterly Journal of Economics, 2000) where it was concluded that those attitudinal measures employed by the World Value Survey poorly correlate with behavioral measures of trust obtained from an experimental trust game involving monetary incentives. Using Brazilian subjects they replicate the study and perform the experiment under two conditions: when individuals meet face-to-face prior to their interaction, and when they cannot do so (a condition that was not employed in Glaeser’s et al. study). They found that attitudinal measures of trust (such as the World Value Survey) do not significantly explain trusting behavior in experimental transactions. This result holds even in the treatment where individuals cannot meet face-to-face. However, as in Glaeser’s et al. results, attitudinal measures of trust do explain trustworthy behavior: individuals who affirm to be more trusting are apparently less inclined to act opportunistically.

5.2 Differences found in negotiation style between Brazilians and Norwegians

Style of negotiation is the topic for questions 5 and 6 in the questionnaire. The interviewees responded quite differently as their personal experiences differ. Time and the treatment of time in Brazilian society was one of the main differences from Norway they said. When meetings start and time stretching strategies were examples given. The Norwegians also said the Brazilians seem more prepared than themselves in meetings and unlike in Norway everything is negotiable and agreements are never final. Suggestions to overcome these issues included better preparation before the negotiation on the Norwegian side. Also there was hope that time would be seen as more valuable in Brazil and that when
agreements are made in negotiations, they should be final and not able to change at a later date.

Linking Hofstede’s (1991) cultural dimensions to this area is challenging. Explaining the interviewees perception that Brazilians in general are more prepared before meetings/negotiations might support the high score Brazil gets and the lower score Norway gets on the “Uncertainty avoidance” index.

5.3 Differences in planning practices

In question 7 the interviewees gave their opinion on differences in planning between Norway and Brazil. Opinions were very differing. Some thought that planning was almost non-existent in Brazil, others thought it was equally as good as in Norway. Almost half of the interviewees thought planning in Brazil was very detailed, perhaps too detailed making it hard to see the “big picture”. Another subject thought the opposite, that planning was not detailed enough. The point was made that Norway is an environment in which it is easier to plan. In Brazil conditions change constantly according to some interviewees, making it harder to plan and causing plans to take longer. This in turn of course leads to higher costs.

Hofstede (1991) ranks Brazil at 76 on the uncertainty avoidance index, well above the world average of 64. Norway is ranked at 50, which is still quite high indicating that planning is seen as important in both countries. Looking at the long-term orientation dimension that Hofstede (1991) developed we can see Brazil scoring quite high at 65. This would indicate that there is a strong persistence in the Brazilian society and that there are “ordering relationships by status” and that people observe this order. The fit with the interview data is pretty good. Norway on the other hand scores below the world average of 45 at only 20. This indicates that Norway is short-term oriented with “personal steadiness and stability” as well as protecting your “face” and having respect for tradition as characteristics. According to the interview data this is not a very good fit and the subjects would disagree.
5.4 Distinctive components on how to handle conflicts

Conflicts are a part of any workplace, and in questions 9 and 10 the interviewees try to describe some differences between the two countries and also suggest some ways to minimize workplace conflicts between Norwegians and Brazilians. The Brazilian hierarchical organization and system causes the conflicts to be different, the interviewees argued. It is easier to loose one’s job and so conflicts become very important. Conflicts are also a lot more personal in Brazil than in Norway, at least according to the opinion of Norwegian expatriates.

In order to reduce conflicts between Norwegians and Brazilians working in Brazil it was suggested that only the candidates with the right people skills should be sent from Norway to work in Brazil. Often the Norwegian way of communicating is too direct one subject added tying this to the hierarchy. It is also important to integrate the Norwegians more, and this is best done by speaking the same language at all times and perhaps spending more time together socially. Also it was the opinion of several interviewees that Norwegians should act humbly as they are “guests in another country”. This is assumed would minimize conflicts.

The cultural dimensions of Hofstede (1991) do not directly apply to conflicts but the reasons for conflict are often differences. Norway and Brazil have very differing scores in all dimensions. If Brazil has a high score, then Norway has a low score and vice versa. It is easy to understand, taking Hofstede’s cultural dimensions into consideration only, that Brazilians and Norwegians will have conflicting views on different issues in the workplace. “Masculinity” is one good example where Norway is among the worlds lowest at 8 points and Brazil scores 49 points. This would indicate that Brazil has a larger gender wage gap, fewer women in management and employees prefer higher pay (versus Norway and low scoring countries who prefer fewer working hours). These findings are consistent with the research in this Thesis. For example the Norwegian interviewees expressed some surprise when learning about the wage gaps in Brazil, a feature of society that is much less apparent in “classless” Norway. It is
also fair to say that in Norway a topic currently in the media is whether or not to shorten the working day even further. Popular opinion is far more concerned with this and other non-financial aspects of business life. The interviewees still did not relate any conflict directly to what can be described as a difference in “masculinity” levels.

Also, the dimension “individualism” can influence conflict creation. Here Norway scores a high 69 indicating that the people of Norway are self-oriented, their identities are based on the individual, emphasize individual initiative and achievement and that decisions are based on individual needs. In contrast, a culture with a lower score on individualism (a collectivist society) like Brazil has at 38 would indicate that it is group oriented. Loyalty to the immediate family but also extended family and organization etc. Decisions are based on what is best for the group and the identity is based on the social system.

The interview findings in this thesis reflect some of these descriptions but not all. It is fair to say that Brazil is more “group” oriented than Norway and that there is more of an emphasis on belonging in Brazil and more of an emphasis on the individual in Norway. This can create conflicts and one example would be relatives employed in a business. In Norway and other highly individualistic countries this would be seen as a negative thing. In Brazil and other collectivist societies this would be seen as a positive. Also, in the case of hiring and/or promoting employees in general an individualistic country would base this on the individual’s skills and written rules in the organization. In a collectivist country the individuals in-group status would be taken much more into account according to Hofstede. These examples are in line with the general opinions expressed by the interviewees.

In the paper “A Cross-Cultural Comparison of Intragroup Conflict in the Netherlands and Brazil” (2009) authors Sobral and Biesling conclude in their research that intragroup conflict might be culturally specific. They also state that in general conflict based on anger, frustration, and jealousy is immediately linked to lower performance, whereas conflict based on disagreements about facts, opinions and suggestions tend to have a positive impact on team performance. In
their study they used subjects from Brazil and the Netherlands, another European country who is arguably culturally “closer” to Norway than Brazil is. Although not perfect to compare with, it does give some indication of what the results would have been if Norwegians had participated. Findings showed that when looking at emotional and task conflicts, in Brazil these were negatively associated with individual’s satisfaction and perceived team performance. The Dutch on the other hand, showed no significant relationship between either relationship or task conflict and team performance. This would indicate that in fact intragroup conflict is specific to the culture in which it occurs. Put another way, the Dutch kept their teams performance levels unchanged in both emotional and task related conflicts. The Brazilians teams had a negative effect on team performance in both cases (emotional and task related). This could suggest that in times of conflict at the workplace, Brazilian productivity goes down more so than their Dutch counterparts. This makes conflict avoidance and/or conflict resolving an even more important issue for managers in Brazil.

5.5 The most important distinctions in organization

Questions 11 and 12 addressed the apparent differences in how businesses are organized in Brazil and in Norway. The interviewees were all unified in their description of the Brazilian system being “hierarchical” and the Norwegian system much more “flat” structured. Several examples were given of how there is a longer “distance” between managers and lower level employees in Brazil than there is in Norway. Other interviewees noted that with the hierarchy comes bureaucracy and this was a source of great challenges for the Norwegians working in Brazil. It was also a common understanding among the Norwegians that the salary gap is much wider in Brazil than in Norway.

These statements of course correlate very well with the findings of Hofstede (1991) who gave Brazil a score of 69 on the cultural dimension “power distance”. The world average is 55 and Norway is, as expected, below this at 39.

According to Hofstede, a culture with a high power distance such as Brazil would have tall organizational pyramids, wide salary ranges from top to bottom
and subordinates would expect to be told what to do (orders). Also, there would be a strong respect for authority in general, a tendency for people in power to try and seem even more powerful than they really are.

Norway and other countries with a low power distance have short organizational pyramids, a narrow salary range from top to bottom and subordinates expect to be consulted in the workplace. Hofstede also mentions that respect is mainly for individuality, not authority and that powerful people try to look less powerful than they really are. The interview subjects in this thesis seem to agree with Hofstede on the issue of organizational differences between the two countries.

The interviewees also suggested ways to resolve any issues arising from these differences. Answers ranged from asking other (Brazilian) colleagues for help when a Norwegian is faced with difficulties in a Brazilian organization. The hierarchy remains the main challenge for the Norwegians, from just understanding the way it works to learning about the unwritten rules that exist in any organization. It was argued that the Norwegians tend to take problems out into the open, and usually go straight to the top of the hierarchy to fix it. This raises issues that can be resolved by the Norwegians simply being more tactile and sensitive to the way things are done in Brazil.

There were also suggestions that the Brazilians become better at letting management know about problems or issues they discover in their work. Bringing these problems out into the open right away, while not fearing for one’s job, would increase efficiency in the organization, some subjects argued. Time was again an issue raised by the Norwegian interviewees. They seek less conflict but quicker results, and several subjects described this as an uphill struggle. A compromise in business cultures might make Brazilian colleagues understand better the Norwegians and vice versa. The Norwegians should explain their philosophy on time and the value of time. The Brazilians on the other hand might be able to teach their Norwegian colleagues things about the Brazilian system and why things are done the way they are.
5.6 Differences in behavior during good versus bad times

In an attempt to see if there were significant differences in pessimism and/or optimism, the interviewees were asked to give an opinion as to whether Brazilians react emotionally different to good and/or bad times for their company versus how Norwegians are perceived to act.

Three of nine interviewees declined to respond because they did not have an opinion, but the responses given by the other subjects indicate that there was no common perception on this issue. One subject said there were no specific differences. Other subjects said that if projects work out in success then the honor is shared in Brazilian organizations. If on the other hand the project fails or something goes wrong then there has to be someone to blame according to the interviewees. Brazilians like most other people focus on cutting costs in periods of financial stress, this one subject added, was a discipline the Brazilians were very good at. Another stated that in general Brazilians society are very good at handling so-called “crises”, whereas the Norwegians are not at all used to “crisis” as Norway is a very rich country with few people and a strong social net.

Overall no conclusions on this issue can be drawn from the responses given in this research. There may be a difference between Norway and Brazil in how they react to good and/or bad times but no research could be found to support this hypothesis.

5.7 Major cultural challenges for Norwegians working in Brazil

As a general question and as an opportunity for the individual interviewees this last question on general cultural challenges was asked to see whether there were any commonalities and also to determine the degree to which some of the previous issues arose again – if so indicating that the other questions were valid and addressed issues that Norway and Brazil differ on.

The biggest challenge to professional and personal lives for the Norwegians living and working in Brazil is time and the treatment of time in Brazil. This according to five of the nine interviewees. In Norway, they said, other people’s
time is treated with respect and there is also a general understanding that time is money. Norwegians are very punctual and they keep appointments, one subject said, in Brazil things are much more relaxed and they usually never show up on time. Sometimes they don’t show up for appointments at all.

The second biggest cultural challenge for the Norwegian expatriates is understanding and accepting the hierarchy that exists in Brazilian society and organizations. With this comes the extensive bureaucracy making it an even greater challenge. In this way the societies are very different and it is understandable that a person who has lived his whole life in one society, culture and system is challenged by moving to and working in a new society that is based on different so-called “established truths”.

The need that the Norwegians feel to change the system in Brazil is not necessarily shared with the Brazilians. “We want more efficiency in the business and we think we have some solutions for that but rather than embrace change their Brazilians colleagues work against”, they said.

Looking back at the main areas of “trust”, “planning”, “organization”, “negotiations” and “conflicts” in the questionnaire it is fair to say that the main findings in those questions are reflected very well in this final question’s findings.

6. Concluding remarks and suggestions for the implication of cultural differences on effective management

In this final chapter a short review will be given first, followed by some general conclusions. Furthermore, the implications for management will be discussed as well as the research limitations. Finally, suggestions for further research will be given.

In this thesis the aim has been to compare Norway and Brazil in the ways they do business. How do the different societies, cultures and ways of doing things interact in a time when more and more business is being done between the two countries? What issues arise and are there simple solutions? To support the
existing literature and body of knowledge that is on paper, nine Norwegians expatriates were interviewed. They gave their opinions on 13 questions in 5 main “fields”; trust, planning, negotiation, organization and conflict. Their answers were naturally different as all people experience things individually, but some commonalities were found. No previous research has been done specifically on the differences between Norway and Brazil and hence this thesis is in somewhat unknown territory. There is however, extensive existing knowledge of the two business cultures and countries in general. This project tried to gather some of the loose ends and also find the way to go from here in terms of research as well as better cooperation between Norwegian and Brazilian businesses, a common goal that will benefit both parties.

Norway and Brazil are two very different nations. One is situated in Northern Europe and the other in South America. Norway is a small and very homogeneous country were most people are equal, and Brazil is a large country consisting of many different ethnicities and inequality is more the norm than the exception. Their histories are very different with Brazil being colonized for hundreds of years and Norway becoming independent from unions with Sweden and Denmark. The languages spoken are totally different with Norwegian being part of the Germanic languages and Portuguese a Latin language. Brazil is the world’s biggest catholic country, and Norway, although with a large number of non-believers, has a strong protestant heritage.

Norway was once a poor nation but found oil in the 1960’s, boosting the country’s economy tremendously. The government ruled in socio-democratic way ensuring that most of the people got to reap the benefits of such wealth. It also helped that the population was only 4 million people. Brazil, on the other hand, has always had extensive natural resources but faced greater challenges in distributing this wealth and has also had the incomparable task of catering for close to 200 million people. With Brazil’s recent discovery of oil and gas, it will be interesting to see how the Brazilian government spends this wealth.
All these factors and more contribute to the shaping of a culture, a society with rules and norms. This in turn affects how business is done and that was the basis for this thesis. With increasing business between the two countries more and more focus is put on improving both the efficiency of such transactions as well as the mutual understanding and job satisfaction for expatriates who move to and work in a new culture.

It takes a long time to learn and understand a new culture. For the Norwegian expatriates interviewed in this research, they have to deal with the unwritten rules, the new laws and the new forms of social interaction as you would with any new country. In the case of Brazil they also have to understand the hierarchical way society and organizations are set up. They have to understand the “Jeitinho” (as referred to in chapter 2) and also the different way in which time is treated in Brazil versus Norway.

Looking at the five main areas of this research, we can draw some conclusions based on the responses of the interviewees. Under the heading of “organization” we found the biggest consensus among the subjects. It seems fair to conclude that for Norwegians to work in a hierarchical organization like those which exist in Brazil is difficult. From their native Norway they are used to a much flatter structure with shorter distances between themselves and everybody else in the organization, up or down. They are used to finding one person responsible for each area and for each project. They are used to going straight to that person and not having to go through the proper command lines. Their communication is direct and problems or challenges are taken out into the open. This fits very well with Hofstede’s “power distance” cultural dimension.

Under the heading of “planning” it is hard to conclude with anything other than our subjects seeing Norway as easier to plan in than Brazil. It is believed that as a result of this (and not the other way around), Norwegians perceive Brazilian companies to plan very little ahead. Because of the unstable “landscape” in which Brazilian companies have to operate, planning is more difficult than in Norway. Many more of the factors in society are stable in Norway and the general attitude towards time and timeliness is much more serious. Still
the subjects were concerned with the level of planning in Brazil and would generally like to see more of it in order to improve efficiency and get things and projects done on time.

Looking at the heading “conflicts”, and based on what the interviewees said, it is fair to conclude that Norwegians perceive conflicts in the workplace as more personal in Brazil than what is the case in Norway. They seem to find conflicts in Brazil as less focused on the issue, and more focused on the person or persons. Also, conflicts seem group oriented in Brazil as opposed to very independent and individual in Norway. This is somewhat in line with Hofstede’s findings in the cultural dimension of “individualism” where Norway score high and Brazil low, indicating that the “group” is more in focus in Brazil.

Conflicts between Norwegian and Brazilian colleagues working in Brazil can be minimized by implementing some simple measures. First of all, colleagues should find a common language to speak in front of each other. Secondly, it is a good idea to socialize outside the workplace more in order to build a social network based on non-work related activities. This is very important to establish trust, which will be discussed later in this chapter. Finally, it is very important for the Norwegian expatriates to realize that they are indeed the ones arriving in Brazil and are to be considered guests in Brazil. Their behavior should be humble and according to this fact.

If we look at the questions relating to “negotiation” it is again easy to conclude that much of the challenges Norwegian expatriates face in Brazil is in relation to time and timeliness. When it comes to negotiation style this research is unable to conclude anything as responses were not unified and no clear “picture” of the situation could be drawn. The only aspect that became somewhat clear from the experiences of the interviewees was that Brazilians come to the negotiation table very prepared and this is something that the Norwegians should keep in mind when doing business with them.

“Trust” differences is the next factor that this research tried to analyze and it uncovered that Norwegian expatriates see this as a major difference between the two cultures. On a general basis, it can be concluded that Norwegians see
Norwegian society as more trustworthy towards both each other and towards foreigners. This is underlined and confirmed by the international surveys such as “World Value Survey” that shows a significantly lower score for Brazil with respect to trust related questions.

There are many reasons for this difference in trust levels. It can be the more homogeneous make up of the Norwegian society, the much more similar education levels in the population and/or the level of salaries that are much more similar as illustrated by the example of the cleaning lady who in Norway makes 3 times less as the managing director but in Brazil that number would be much higher. It is also probably related to history, where Brazil has been taken advantage of through generations of colonization.

No conclusion could be reached from the question on how Brazilians and Norwegians differ in their thoughts and behavior related to good or bad times. Further research is needed to see if there is any truth to the perceptions put forward by some of the interviewees.

As a general conclusion and keeping in mind the responses to the question on the greatest cultural challenges for each individual interviewee, it is fair to say that two factors make up the biggest challenges and differences between Norway and Brazil in terms of doing business. First of all, it is time and timeliness. The treatment of time in all respects of business and society is very different in the two countries. Secondly, the interviewees state that the Brazilian hierarchy versus the Norwegian flat structure is a challenge both to understand and to accept. With the hierarchy comes many challenges but the extensive Brazilian bureaucracy seems to be the biggest one.

Looking at the differences between the two business cultures and the responses given from the Norwegian expatriate interviewees in this thesis, it becomes clear that the primary challenges of time/timeliness and hierarchy/bureaucracy is difficult if not impossible to change at least in the short term. What management should do, on both sides, is to prepare themselves and their employees by gaining a greater knowledge of the other party and by doing
so hopefully understanding better how and why the other country acts the way they do.

On the Norwegian side there would be great benefit from an “introductory course” or similar for first-time travelers to Brazil. During such a course employees would learn about the differences between the two countries and thus preparing them for what lies ahead. Specific emphasis should be put on the differences in how time is treated, and the organizational differences concerning the hierarchy and how to work and get work done in a hierarchy versus a flatter system such as the one in Norway. It should also be emphasized that Norwegians are guests in Brazil and social skills are important. To be humble and sympathetic is important in a culture where trust does not come easily. Even with just a couple of hours of preparation before making their first journey to Brazil the overall expectations can become closer to reality and future challenges can be handled better. I believe this would be a profitable investment for any Norwegian company.

For Brazilian management receiving colleagues from Norway they would also benefit from increased levels of knowledge about Norway and Norwegians. Already seen as very helpful by the interviewees in the thesis, the Brazilians may benefit from knowing about the bigger differences and the greater challenges for the Norwegian expatriates. The goal is for both Norwegians and Brazilians to conduct business effectively in a way that is comfortable and as enjoyable as possible for both sides. Knowledge about each other goes a long way in achieving this.

6.1 Limitations, personal opinion and suggestions for further research

Limitations for the research methods used in the project are first of all the fact that perceptions are, by definition personal and subjective and the interviewees may provide information that is not applicable for the larger population and only relates to him/her specifically. In addition to this, the interviews are done only with Norwegians so we are only getting one side of the story. Other limitations are that although there exists a lot of research on culture, ways of doing
business, Norway, Brazil etc, no studies were found that specifically deal with the relationship between Brazilians and Norwegians. This means the research will be in somewhat “unchartered” territory and hence will have little to go on in respect to previous research. Another limitation is that the author has never written an academic paper of this length before and never conducted any extensive research. The project must as such be seen as a learning experience.

Personally, I had some expectations before starting this project and those expectations where clearly affected by the fact that I am myself a Norwegian and that I have now lived for a year and a half in Rio de Janeiro. Overall I think the findings correlate with my own views. It is very clear to me that Brazil and Norway are fundamentally different, as can be expected by two countries far from each other and with no common history. The main areas of planning, organization, negotiation, trust and conflict were chosen because I expected big differences in all of them. After doing the interviews with my Norwegian subjects I at times ended up discussing with them after the interviews were over and already at that point some of my notions began to change. The findings in this paper conclude that two main areas pose challenges for a Norwegian living and working in Brazil: time/timeliness and hierarchy/bureaucracy. I have myself experienced it first hand and it can be both frustrating and difficult to understand and let alone accept. But being one of those Norwegians actively pursuing a career in Brazil, wanting to live and work there, I was very happy to note that most of the interviewees underlined the point that Brazil is for Brazilians and we are simply guests in this great country. Things are different, and that is part of what makes it so exciting.

It is suggested that further research includes interviewing Brazilian workers in Norway as well as Brazilians working with Norwegians in Brazil to find out what their opinions are on the differences between the two countries. Other researchers might also investigate these issues using different questions and focusing on other “main areas” than those chosen in this research. There are undoubtedly many other aspects of the cultural differences and challenges that are interesting to explore. Also, I would suggest further research to concentrate and focus even more on the business side of the two cultures as writing this
thesis has made me realize that many of the responses given were based on experiences in the interviewees personal life experiences in Brazil and not exclusively within the business area.
7. References


Appendix A - Interview questions

1. How long have you been working in Brazil and in what industry?

2. What is your current position in the business and how old are you?

3. In your opinion, how is trust between colleagues different in Norway and Brazil?

4. What factors are these differences due to?

5. How would you describe the differences in negotiation style?

6. How can negotiations become more productive between Norwegians and Brazilians?

7. It can be argued that planning is a natural part of business worldwide. Do you feel that Brazilians plan differently and if so, how does it affect the business?

8. Do Norwegians and Brazilians act and think differently when business is going really well or really bad? If so, how do they differ?

9. How are conflicts between employees in Brazil different from such conflicts in Norway?

10. How can conflicts between Norwegians and Brazilians be minimized?

11. In what way is Brazilian businesses organized differently that Norwegian companies are?

12. What issues arise from these differences and how can these issues be resolved?

13. For you, what have been the biggest cultural challenges while working here in Brazil?
Appendix B – Interview responses

Interviewee #1

1) 5 years in the shipbuilding industry.

2) 2 years in commissioning, 1 year as a supervisor and 2 years as a project leader. Currently 43 years of age.

3) Trust is something you earn over time. It takes a lot of time to build and it can easily be ruined. Here in Brazil it seems even more difficult and takes even longer to obtain. This has to do with how the hierarchy works in the Brazilian system. A job can take a lot of time because trust is not there. There seems to be a lot of politics in the system.

4) Well trust needs to be worked on. There are Norwegians coming here to Brazil with the wrong attitude. If you are not open to different things when you arrive here, and show no flexibility then the Brazilians will not trust you. There needs to be a two-way communication.

5) Brazilians are very good at dodging work, they do not seem to involve themselves as much. You have to document things a lot more in detail here in Brazil than you have to in Norway. If there is a meeting or a negotiation, you have to show up very prepared. The Brazilians are very prepared. If Norwegians come down here unprepared thinking it will work out, then they are mistaken! Brazilians wish to win the negotiation, they do not want to give, just take.

6) It happens automatically when trust is achieved. Productivity goes up as a result. Also, the Norwegians need to come better prepared. I believe that if both parties were better prepared the results would be better.

7) The Brazilians plan totally differently than we do in Norway. They are very detailed and are good at going deep down, but not very good at seeing the “big picture”. This is because they are too detailed. They also update their plans frequently, something they are good at. This does, however take up a lot of time and a lot of resources. It has to do with that
they to not believe in or trust in themselves enough to simplify this process. I think the details make them feel safer.

8) It depends a little. If things are going well, then they say “we’ve done this together”. If they are working towards a common goal, then they share the glory of success. If things go bad, then they usually blame the other parties involved. They refuse to admit to making mistakes.

9) This brings me to the Brazilian hierarchy. Whoever is higher in this hierarchy is “right”, even though he or she is not at all “right”. The conflicts are very personal, but I feel they are often “to the point” despite this. It depends on the conflict, how “deep” it goes. A smaller conflict will usually resolved quickly but if there is money involved, an economic effect, then there will a need for everybody to defend their positions and most likely somebody will loose their job because of it.

10) Well the Norwegians who show up here thinking they are “world champions” need to understand that they have a lot to learn in terms of communicating with the Brazilians. The Norwegians use too much one-way communication. I believe it takes time to learn, and you might need to make a few mistakes first in order to learn. Often I find that conflicts arise from bad communication or lack of communication. If the Brazilians make a mistake, it is very important how we communicate it. Norwegians tend to be very direct, and the Brazilians misinterpret this and see it as personal. The hierarchy is so strong here in Brazil so they are not used to get this direct criticism, it usually filters through all the levels in the hierarchy first. Because I am higher up in the hierarchy they accept my criticism, but if one of my supervisors tells an employee something, it is not accepted because he is not “important enough”.

11) If for example you are to build a ship, there is a lot of planning involved, documents to prepare and things to order etc. When “lower level” people see a need or problem during this initial face, they are afraid to let management higher up in the hierarchy know as they fear it will be perceived to be demanding. This results in many delays. As a “problem” moves up the hierarchy, a situation can and will occur where the only person who does not know about it is the Managing Director at the top.
Everybody else tries to hide it, but of course the problem remains and in the end a big meeting is called and usually somebody is fired. All the pressure everybody feels then goes away and they can start over.

12) When conflicts occur, between Norwegians and Brazilians, it is usually because we like to bring a problem out into the open and by doing so we expose the Brazilians who have not their jobs. They see it as a mistake, we do not. We see it as something that needs to be corrected, that’s all. Brazilians tend to be very black/white in their approach to a conflict. The Norwegians are never afraid of the hierarchy so we tend to go straight to the top of it, and this can of course create conflict. This behavior of going straight to the top is acceptable in Norway, but not in Brazil. The reason the Norwegians keep doing this in Brazil is because it gives results and it works/solves the problem.

13) For me, the hierarchy was the biggest challenge. To understand how it works was hard. Also this one-way communication that I have to do down the hierarchy – and the convincing I have to do in order for my employees to do a specific task “my way”. I have to visualize why it has to be done this way, an order is not enough. They want proof, a reason.

Interviewee #2

1) 4,5 years in the oil and gas industry.
2) General manager for offshore services. Currently 37 years old.
3) In Norway there is in my opinion generally a substantially higher level of trust between companies (more honesty, truthfulness). In the offshore industry in Brazil there are many international players with international attitudes and trust comes from previous dealings. I assume that if I were to deal with a Brazilian person without an “international reputation” there would be less trust from my side. In Norway we base a lot of things on common trust, I find that in Brazil this is not the case.
4) It is cultural. I think that Norway is a country were we trust each other a lot more than almost every other country in the world. It seems we have
less of a reason to mistrust our colleagues etc. In the case of Brazil it
depends on the social hierarchy. The lower you are in the system the
more used you are to “fighting” your way, and this results in people not
trusting each other as they always have to compete. The higher you get in
the hierarchy, the more you want to protect yourself against the people
climbing up. This I think is a natural part of living in a class society.
Norway is not a class society.

5) In Norway there is as I said a lot of trust, personal relationships, etc. This
affects the negotiations a lot, they are quite “friendly”. In Brazil it is also
important “who you know”, but the main differences in my opinion is that
the Brazilians are less professional and they seem to not trust us. The
positive thing is that you can position yourself more easily. I try to lock
them in via technical things before we talk price. It can be hard to
convince them of what is good quality vs. bad quality.

6) I see it as a very convenient strength that the Norwegians are more
experienced in negotiations, but to be more serious in the case of buyers
for example it would be more productive if the person who represents the
Brazilian company would be more independent – we find often that they
wish to enrich themselves and that is not good for us and not good for the
Brazilian company. Luckily for us we talk very little price as most of our
clients have contracts with price lists that have been negotiated in Europe
at an earlier date. I want to mention one company, Petrobras. They are
very good negotiators. The pressure all companies on price, and they are
so powerful that they always win. They are international in the way they
do business.

7) Norwegians or Norwegian companies plan and execute in general better
than a Brazilian company. In the case of for example building a ship, it is
necessary to prepare a very realistic plan and you have to be able to
execute things according to the plan. As of today, this seems very hard for
the Brazilians. Things don’t go according to plan. I have an example: there
is a Korean shipbuilding company that has a shipyard here in Brazil and
another one in Norway. If they were given the project of building the
exact same ship, then this ship would cost about 25% more to
manufacture in Brazil. Everything inside the ship is the same, everything on the outside is the same. The reasons for this is that they use about twice as much time here in Brazil and a lot more people are involved. Still with higher human resources costs per person in Norway, they end up being 25\% cheaper. All this despite the fact that they would use the same exact plan, already prepared in Korea. This is a challenge for Brazil in the future. Another thing worth mentioning is that in Norway we involve the “lower level” employees more – the welders etc. They are encouraged to take responsibility and they do. In Brazil they wait for orders. Mid-level management is necessary here in Brazil, not so much in Norway.

8) Brazilians handle “bad times” very well. They are used to so-called “crisis” all the time. Us Norwegians we have always had a comfortable life and deal not so well with bad times. Brazilians seem to deal with “bad times” a lot better than we do. They adapt easily.

9) In Norway the human part of conflicts are important – the management think of the employees are resources. But in Brazil managers see employees are something that is easily replaceable. This is a difference on a societal level. In Norway we try to make things work, aim for cooperation etc. Whereas in Brazil it is usually the “stronger” part that gets his/her way and very often the “weak” part will be fired. In Brazil things are more personal, the issue is less important it seems.

10) It is very important that the Norwegian companies choose the “right” Norwegians to send to Brazil. This would reduce conflict. By that I mean Norwegians with the right people skills. It is also important that the Norwegians and the Brazilians are integrated while working together in Brazil. Here we have some challenges with regards to language and so on. Norwegians should not speak Norwegian in front of Brazilians, in our case we use English because it is how we can all communicate.

11) Brazilians are more conservative and “old fashioned” when it comes to business organizations. They are very hierarchical, and this is also related to the social classes in society. There is a large difference between management and the workers “on the floor”. In Norway, we have a much more flat structure. In Brazil it seems to be almost “military” in the way
things are organized. Very “bureaucratic” in my opinion. In Norway we have different managers for different fields within the company, here in Brazil there is one leader/manager for all.

12) As a Norwegian, I think our way of organizing is more modern and better for the core business. An old fashioned military way of organizing can inhibit the business.

13) For a Norwegian moving to Brazil to work here the biggest challenges are
1) the bureaucracy in “public” Brazil (heavy, time consuming, hard to understand),
2) the notion of time and the importance of time (totally different – in Norway time is related to respect and time is money),
3) working in a business culture/organization that is very different from home – the hierarchy and the social classes.

Interviewee #3

1) First time in 1992, and several times since but altogether I have worked in Brazil 4 years (ship building industry).

2) Superintendent/ship manager. I am 43 years old.

3) There is less trust here in Brazil. Society is much more controlled, it has in my opinion an historical side to it. You don’t trust anyone, you control them instead. Everything is double checked, especially when it comes to money and finances.

4) First of all there is such a difference between the social classes, so there will always be a lot of people at a workplace with low paying jobs. This means that they have a lot to gain from “tricking” the system just a little bit. In Norway employees are much more similar. We are of course paid a lot more as well. A manager and a worker in Norway is more or less the same thing. This leads to less of a need to “cheat”. Also, the level of education in Norway is much more similar, even “lower” positions are filled by people with higher education.

5) First of all there is very little respect for time. The start of a meeting is very fluent, it seems like there is no set time. During a meeting people do
not turn off their cell phones etc. I would like to emphasize that my experience is from Rio de Janeiro only, I have heard other experiences from Sao Paulo etc. In a meeting here, you can make all kinds of deals and agreements, but they are only valid until one of the other parties find out that they want to change it, and it seems here that you can make all these changes even without informing the other party. This is something that most Norwegians find extremely difficult to deal with. In negotiations they are very willing to listen, they are not hard to talk to. The exception here is Petrobras, they never listen.

6) The Brazilians need to understand that we (the Norwegians) measure money in time. With us there is no “tomorrow”. Things need to happen now, and if we agree to something it cannot be changed later. I wish they would be more professional with regard to time, if we say Monday 26th – then we mean Monday the 26th. The Norwegians can be a lot better at understating the culture in Brazil, we think we are so good at all these different things and we wish to bring our systems and routines to Brazil but we need to understand that a country with 4,5 million people is a lot easier to deal with than Brazil with almost 200 million people. Things are much more complex here in Brazil. Norwegians need to be better prepared and have respect for this system.

7) My Brazilian boss usually says: “we are good at arranging things, but we are not good at planning”. Planning here in Brazil is weak. They do not plan their day, a meeting or a project very well. They seem to miss the big picture and focus a lot on details. I’d like to give an example. If I need to have something done by a certain date, then I plan “backwards” towards today. By this I mean that I know what needs to be done by say Friday in order for the total project to be done by a certain date. I have never met anybody here in Brazil with this way of thinking.

8) In good times the Brazilians seem to be very generous with money and expenses, but in bad times they are very good at tightening the belt – saving money etc. Sometimes however though, they cut too much on quality in my opinion.
9) In Norway we split the man from the issue/problem. In Norway we can criticize each other in meeting and still be good friends after. In that sense we are more professional in my opinion. Here in Brazil we cannot do this as it is always taken personally. They “loose face” a little, and that’s not good. I have the same experience from working in Asia. Also, I have to say that it seems to stem from the “military” times in Brazil, where it was very dangerous to take responsibility for something. If things go wrong, you’re out. In Norway it’s ok to say “I’ve made a mistake”, and management reacts by giving you a “star”, they now trust you more because of it. This would never happen in Brazil, it is not OK to make a mistake, it is seen as a big problem.

10) We need to educate the Norwegians more before we send them to Brazil. Just to give a small example, during my upbringing as a youngster in Norway, we were told to shut up at the dinner table and stay quiet. Here in Brazil they encourage sounds, talking and so on around the table. This translates in adult life to the kind of cultural differences that make it hard for Norwegians to “fit in” here. Everybody accepts the world in which they are born as “reality”, and we as Norwegians have to understand that things are very different here in Brazil. We have to remember that we are here as guests.

11) It is linear. That person is under that person etc. Very hierarchical. For example, we are working on a project now with a company and there were some drawings that needed correcting. The employee in this company could not send the drawings to his colleague directly, it has to go via our company. I suspect this is related to the hierarchy. In Norway it goes without saying that you have to get up and seek information, seek responsibility. Here in Brazil, they sit and wait for orders. If there are no orders, it’s like a “green light” not to do anything.

12) Things take a lot of time. And when this happens the projects become a lot more expensive.

13) The language of course, just the fact that you need help to do everything. Getting an apartment, buying furniture etc, you need to speak Portuguese. They say they are coming on Monday, but show up on Wednesday – but
postpone even more then. You sit around waiting, maybe all day and nobody shows up. Then they call late in the afternoon saying they can’t make it. This is unacceptable in my opinion. Just the general feeling of being helpless, needing help to find a doctor, to get gas and electricity and internet in the house. Another thing is the number of bus companies here! It’s amazing how many there are, and they all drive the same roads. Traffic here is crazy too, very dangerous.

Interviewee # 4

1) About 11 months. Working with dynamic positioning systems on ships and rigs.
2) Senior Systems Engineer. Currently 34 years old.
3) If I can start with Norway, everything we do there is based on total trust. This has obvious good sides, but maybe some bad ones too. We like to let people plunge right into difficult situations from the get-go. If they can “swim”, then great, if not we use it as a learning process to teach them how to “swim”. Here in Brazil we in our company have tried to do the same with some of the Brazilian engineers. I don’t think there is much of a difference, at least in the workplace. Society, that is something else.
4) I think that we Norwegians are better at logic, and logical thinking. From the start in our lives we learn to manage everything ourselves. We move out from our parent’s house very early and are left to fix everything individually. Here in Brazil it seems like they need more support from people around them, maybe because they are not as secure in their environment. Also, it is important to note that the engineer education in Norway is a lot more hands on, more practical than what is the case here in Brazil for the Brazilians. They seem to use a lot of time studying books, In Norway are more practical.
5) It is hard to answer because our company tries to use Norwegians to negotiate when we work on Norwegian ships, and we try to use Brazilians
to negotiate on Brazilian ships. This way we avoid the “problem”. I am afraid I cannot answer the questions as I have no experience.

6) This has to do with cultural understanding. If there are clear differences in negotiations styles, I think it would be smart to educate both the Norwegians and the Brazilians on these differences before the negotiation. Preparations are important.

7) A lot of our time is spent planning, and I think that is primarily because Brazil is a country that it is difficult to plan in. The plans you make have a very short horizon. We need to learn how to plan like the Brazilians, with shorter time horizons, because things change so quickly here in Brazil. Other countries are in my experience like Brazil in that sense, but clearly Brazil is extreme. Because of this the Brazilians are in my opinion more skeptical to taking responsibility for new things that arise. The Norwegian managers here seem very positive to any and all change, but the Brazilians are reluctant. Another example is if new things come up, the Norwegians face it with a positive attitude – “we can do it” kind of mentality, whereas the Brazilians tend to try to either avoid it altogether or simply work against it.

8) I cannot answer this question as I have no experience.

9) In Norway I think conflicts have this unwritten way of getting solved, either between the people who are in conflict, or that the closest “leader” in the hierarchy solves it. Here in Brazil there are conflicts between our Brazilian engineers. They seem unable to solve this without management intervention, so I believe one of our managers is now trying to solve it. Personally I have not had any conflicts here in Brazil.

10) I think the Brazilians have more issues with the Norwegian management than they say out loud. I believe it is related to their management styles, as it is very different and a new experience for the Brazilian employee. It is a very different way of working than what they are used to. Generally the Brazilians that I work with are good listeners and there is no conflict. What creates conflicts here is the Brazilians negotiating with the Brazilian management on behalf of a group of Brazilian engineers. In Norway everybody negotiates for themselves, never a group.
11) In Norway we are used to a very flat structure. In Brazil I don’t think that is possible. I am not sure if a flat structure here would work. In Brazil it is very hierarchical, no doubt about that. I think it is related to bureaucracy.

12) I believe that a flat structure, a flat organization is a very effective organization. It gets the job done quicker. Where there is a system with many leaders/managers, it becomes harder to be effective, it becomes harder to find out who has the responsibility, who can make decisions etc. On the other hand, I should mention that here in Brazil there are so many rules and regulations and things that need to be checked and re-checked that just that in itself requires a bigger organization. Things are a lot simpler in Norway.

13) For me the getting a Visa has been a huge problem. And now that I have it, there are still problems. These problems are mainly due to the rules and regulations of Petrobras. Since I am not a Petrobras employee, just a foreigner with a work visa, I cannot travel in Petrobras helicopters and usually the customer has to order a helicopter just for me. This even though there are seats available on the Petrobras helicopter. There are lists, and a lot of bureaucracy. Other than that I like it here in Brazil and have no big problems.

Interviewee # 5

1) I have been in Brazil 6,5 years in total. Dynamic Positioning Systems.

2) Senior Systems Engineer. I am 36 years old.

3) Quite a big difference. Personally I trust the Brazilians at work, hey are quite honest people. But if we look at getting things done at work, there is a lot of checking and re-checking that I feel I have to do as my Brazilian colleagues don’t always do what they say they are going to.

4) I think it’s cultural, and maybe they don’t have the same feeling of responsibility that we have? Maybe they have never been taught growing up to take responsibility? As children in Norway we were given duties to do, and if you didn’t do it then there were consequences.
5) I don’t feel I can say much about it, as I don’t have a lot of experience with negotiations in Brazil.

6) Again, I don’t feel I can give an answer.

7) The Brazilians plan very optimistically, they don’t seem to spend a lot of time and resources on planning. They seem to like it when things look clean and simple before they start working on it. Things here in Brazil never end up as planned. I think it is destructive, unfortunately. All the delays create a lot of work, and money is lost.

8) The Brazilians don’t seem to care much. For example with Petrobras, they don’t care if things are going good or bad. Generally they are very optimistic, but if just a small thing goes wrong then their frame of mind changes and they become very pessimistic. It seems like they give up easily when things are going bad.

9) In Norway I haven’t experiences a lot of conflict. Here in Brazil there can be a lot of verbal conflict. It is not very “diplomatic”, more direct if you know what I mean. People here in Brazil focus on the person, not so much the situation.

10) I think we Norwegians should show respect for what the Brazilians have achieved. Even though we might think we are more effective at business than them, we should not say much about it. To be more humble, that’s what I mean. I feel that the Norwegians would benefit greatly from preparing a little before leaving Norway.

11) In Norway things are more “flat”. A lot more “flat”. Over here in Brazil there is a huge gap between levels in the hierarchy. In Norway the boss is just like you, here they are above you in more ways than one. If you are the boss, you should not socialize with the employees – but in Norway this is something the “big bosses” really try to do because it is seen as something very positive.

12) I think employees here in Brazil are a little “afraid”, by that I mean they have such an enormous respect for the people above them in the hierarchy that it affects their work. They seem reluctant to be creative, constructive or to solve things a little differently than exactly the way your boss wants it to be solved. The mentality is that it is better to do
nothing than to do something potentially wrong. The result of all of this is that the work becomes ineffective and people don’t get to reach their full potential.

13) For me it was first of all the language. Secondly, it is that things never go according to plan. There is so much waiting! And some of the ways work is done seems hopeless to me. But you know for me, the waiting etc was OK because the pay me by the hour! I have not been responsible for the end product at work, so for me it has not been a big problem, but for someone who has responsibility I’m sure it can be very frustrating.

Interviewee #6

1) Over the course of ten years I have been here just over a year in total. I work in the offshore industry.

2) Customer Support Manager and I am 37 years old now. I have a lot of Brazilian engineers working under me now.

3) In Norway our company has a very flat structure, mainly because it is a very engineer type of business. Anyone who is not an engineer still has a long education and hence is on the “same level”. This makes it easy to talk to each other, and people do their work because they want to, not because they will get punished in some way if they don’t. I have an example from here in Brazil. Our coordinator who is Brazilian has little or no faith in our Brazilians employees doing their jobs. He talks to me with sentences like: “well you know how they are...” and sometimes “you know how Brazil is...” and by that I think he means that you cannot trust people to do what they are set to do. Now his boss feels the same way about this coordinator! So his boss has now asked me to check the coordinator checking the engineers! And they want me to sign a paper every day saying that I have checked it. This system says a lot about trust I think. There is also another example involving our 24-hour service phone (mobile phone). Sometimes the Brazilian bosses will call that number in the middle of the night, just to check if somebody answers it. Also, the flow of information here in
Brazil is very specific. You have to involve a lot of people in the hierarchy first, whereas in Norway you just tell the person directly and then there is a “correction”.

4) In Norway you are expected to perform normally in your job, and if you do that then you won’t lose your job. It’s more a choice between climbing the corporate ladder by or staying where you are. Here in Brazil things are different, you can loose your job more easily. There can be a complaint about you or about your business and you can be out of a job suddenly. In the case of a company getting a complaint, there will in my experience be a scapegoat who looses his/her job. Overall this affects the level of trust a lot. In Norway we have a social democracy, but in Brazil they have until very recently had military rule. That affects things too. There are labor laws in Brazil too, but they seem to me more like written laws and not so much practiced in real life.

5) In general, meetings and negotiations in Norway are quite solution oriented. It’s less to do with who is to blame about why we have not reached a goal. Here in Brazil they can be like that as well, but they can also often be about “stretching” time, not reaching for a solution etc in order to not place responsibility anywhere. There is a constant reading of reports, getting back to you and so on so that it takes up more time. Or in some cases they want you to accept sentences like “well you know we are in Brazil, and Petrobras... well you know Petrobras!” and similar things. This feels like to me an excuse as to why things are not better than they are. They like to blame things on “Brazil”, and that the system is not a good one.

6) There are some specific things that we are good at in Norway. For example we do not have corruption, we keep our agreements and we are good at saying exactly what we mean very directly. In this sense we are very “unafraid”. If we make a mistake, we get together and try to find a solution. I have experienced that in meetings and negotiations that Brazilian colleagues think that sounds like a good system. I think we Norwegians should show a great deal of understanding for the fact that we are working in another country, in this case Brazil. I have sad
examples of Norwegian project managers in Norway who demand results at certain times/meetings – I wish they would understand that this is a different culture and that things tend to take more time here. What we can do is accept that things take more time – and don’t forget that we only see the tip of the iceberg, as our Brazilian colleagues have to fight against the massive bureaucracy we don’t see.

7) Well I want to say they plan very little, but to be more serious I think there are some societal evolutionary movements that need to be in place before the Brazilians start using planning as a tool more. Things here at my work in Brazil tend to be very last minute because there is not a lot of planning. I should mention that in this industry it is extra difficult to plan, as there even internationally are a lot of factors that can change at the last minute.

8) I don’t feel that I can give a good answer to this question.

9) I can’t say that I have any experience from conflicts in Norway – I’m sure they exist but they just haven’t made it into my reality and day-to-day work. But as for what I’ve seen and experienced here in Brazil what I can say is that the conflicts here quickly get personal. The results are often polarization between groups, as an employee you have to “pick a side” so to speak. I think this is related to what I was saying earlier about job security etc, the question: “will I keep my job” etc. It seems like one party will have to loose his job, one party is wrong. I would hope for more cooperation to work through the conflict, but sadly that is not my experience so far in Brazil. These days we are having this type of conflict at work, were our engineers are divided into two “camps”, one the one side we have engineers who get a job offshore, say thank you and immediately call back when they are on the ship to ask permission before making any attempts at fixing the problem. Then we have other engineers who are more free thinkers. They get a job, go out there and don’t necessarily call back, they just try to solve the problem themselves. In my opinion the “free thinkers” are the better engineers for us, but our Brazilian management calls them “rebels” and reward the other type of behavior more by giving them the more interesting, better paid jobs etc.
The conflicts are of course hard to deal with, as the Norwegian management wants individualists who just fix it, take responsibility etc, and the Brazilian part of our management want more obedient by-the-book engineers.

10) I believe in clearer rules, written rules. Also, clearly the Norwegians have to understand that this is Brazil and things are done differently here. We have to accept it.

11) In our line of work, the types of questions we get from customers etc are questions that we have to trust that other, perhaps “lower level” colleagues can answer in the same way. For example if I get an e-mail from one of our bigger clients saying this or that has to be fixed now, I can easily let somebody below me do it. The way things are organized here in Brazil is different, because the coordinator will not trust his colleagues to do a good enough job. He then sits with the problem for a day, maybe two trying to fix it – but the end result is often that he has to trust someone and send them on a ship somewhere to fix it. Because of the delay, the engineers often only have minutes to prepare before departure.

12) Uncertainty and unhappiness among the employees. I have no real suggestions for solving these problems.

13) For me the thing that has irritated me the most is that there are always so many people between yourself and the source to an answer or source to an action. I guess what I am saying is that the bureaucracy is the biggest problem. Things take a long time. It is also very frustrating to work with people who just accept this system and say “but that’s the way it is” and so on. They don’t seem to “see” that it could be so much better.

Interviewee #7

1) I have been in Brazil for 3 months and I work in the shipping industry.

2) I am here to start up our Brazilian office, a new franchise. We aim to provide the same service and consultancy here renting out and selling/buying ships. I am 34 years old.
3) From my short time here I feel that the Brazilians wish to do a good job, but what is “out of sight” is “out of mind”. They do not trust things like phone calls and e-mails, they prefer face-to-face negotiations instead.

4) I think it’s cultural first of all, and secondly just the pace of life and living here in Brazil is slower. I have an interesting thing to point out. At our Singapore office, when an employee gets married, he invites his boss to the wedding. In his speech he thanks his parents, and his employer. They call the employer the “rice bowl”. The job is the life so to speak. I don’t think it’s the same here in Brazil – the job is part of you life and that’s that in a way. So what I mean is that it’s not the biggest priority in people’s lives.

5) My impression is that in discussions on price for example they never start at the “real” price. You are supposed to haggle. In Norway things are different. The price we offer at the start is basically what it will end up being, although sure we can make adjustments, but not as much as they do here. My impression is that the Brazilians go into the negotiations thinking “everything can happen”, they keep all the options open and all parts of the agreement are negotiable. This of course leads things to take a lot more time. I don’t feel like they try to trick or fool you, and most of the time they try to find win/win situations.

6) We try to agree on some things, especially price, before the meeting. We stress that the meeting is only to discuss the other parts of the agreement. We can talk about the contents of the deal, delivery time, credit on payments etc. but the main ingredients we try to agree on before meeting with the Brazilians.

7) I think that planning is important, and I think the Brazilians plan too. I also think it is generally important to make plans that can be adjusted along the way. In Brazil I believe they do just that, and especially because I see so many things here are “fluid”, meaning they can change quickly. And so it is necessary to change the plans along the way. In Norway we have more predictability and hence things more often go according to plan. Sometimes I find the Brazilian plans to be very detailed, so detailed
that it is bound to change – and other times I think the plan is too “big picture” and not detailed enough. It depends.

8) I think it's too early to say since I've only been here in Brazil for three months.

9) I can't say that there have been many conflicts so I don't feel I can comment.

10) In general I think it’s important not to come here and tell the Brazilians “what to do”. I think the Brazilians have a kind of “aversion” against getting “orders” etc. I believe in doing things more low-key, as friends etc not as boss vs. employee. Even though there is a big hierarchy here I think they prefer “our” way of doing things. In Norway it is very easy to approach a boss and say what is on your heart or even suggest that some things should be done differently. So for us Norwegians to come here to Brazil and freak out because things are done differently, and then start telling people it's “wrong”, is dangerous. We should accept the way things are here and make the best of it. It's better to make subtle suggestions on how to improve the system, and be open for their input.

11) I do believe the Brazilians based on their culture there are more oriented towards the hierarchical system than we are in Norway. But I think they might enjoy our system more. I think we get along very well, and I find that this “generous” way of acting in business is something that the Brazilians like us doing.

12) I think maybe the Norwegians can come down here to Brazil and be a little naive thinking that everybody knows what to do and the organization is headed the right way and so on. This is a mistake, I think the Brazilians appreciate somebody who takes a firmer hand and takes more control etc. There is a strange kind of comfort in a system where you just get orders – when a job is done, just sit down and wait for new orders. In that case at least I am not doing anything wrong. I think that is the mentality for a lot of the Brazilian employees. In Norway things are different in that you are given a goal, and it is more up to you how you reach that goal. There is no need for several orders all the time.
13) It has been a great challenge just to accept that deadlines and things like that are flexible, and not written in stone like it is in Norway. Also I came here with a plan, gave some responsibilities to people and most of these projects were started, but not finished. That is frustrating. The fact that you always have to remind people and repeat things, very frustrating. Secondly, it has been very hard to communicate to my bosses in Norway why things are taking to long here in Brazil, and making them understand that things are different here. They sent me to Brazil to fix things, and to move things along much quicker, but the “system” makes that very hard and making them understand that has been a challenge. Luckily for me we have offices in several African countries and over there things are even slower.

Interviewee #8

1) I have been in Brazil for 16 months now and I work in the oil industry.
2) I am a key account manager and 30 years old.
3) From the time I have spent here in Brazil I think trust is one of the key differences from Norway. I never thought much about it in Norway, because over there we just rely on people to take responsibility. In Brazil I would not say people are suspicious of each other but everything is checked and re-checked and that makes me think that trust is lacking.
4) I think it goes deep into the roots of society to be honest. In Norway we are a much smaller society and we are all basically the same. Here in Brazil there are millions of people and they come from different backgrounds. Also maybe because of the colonization by the Portuguese they are sick of being exploited? This might lead them not to trust people as much? Also I guess the recent military history has an influence and the fact that only a small percentage of the population have all the money and the masses are left with very little per person.
5) My experience is that the Brazilians come into a negotiation very aggressive. They are there to fight for their cause and they will not be
fooled by anyone. This makes it a little difficult sometimes as we are never out to fool anyone – we want to establish a long term relationship with our customers and if we for example overcharge them in the beginning they will find out later anyway. This is why we always hope to negotiate a win/win situation whereas I find a lot of the Brazilian negotiators focus too much on the short term or one deal – they want to go back to their office and tell management that they “won”.

6) I think a lot of Norwegians are very naive here in Brazil. They really should prepare more before doing business here. A lot of the things we take for granted in Norway are not to be taken for granted here in Brazil. Also, maybe if we spend some time outside the job getting to know the people we would establish more trust, which might speed up the meetings we have. The meetings are very long here, and time is money so we want them to be more effective.

7) Well I think we can all agree that Brazil is a work environment that is much more complex than the one we have in Europe. A lot of things change, other things take longer, the bureaucracy is extensive and all consuming etc. This makes planning more difficult, but I have to say the Brazilians are very good at working around the changes as we go along in a project. It all affects the business in that things take longer and we have to spend time on what we Norwegians see as unnecessary details in order to move forward. Again, time is money and we feel like we are the only ones with that “frame of mind”.

8) I have to say yes. To me it feels like they have higher “highs” and deeper “lows”. By that I mean that when things are working out they are very optimistic and happy. But if things go badly, they are much more down about it than we are in Norway. They tend to give up right away, but given some time they always find a way around the problem, I have to give the Brazilians credit for that.

9) Well conflict differences is not something I have thought much about. I guess it is quite similar to back home in Norway. All our Brazilian employees work very well together so we have had no conflicts so far.
10) Just a general answer I guess the Norwegians at least should never forget that we are guests in Brazil and we should act accordingly. Be humble! But overall again I have to say that on a personal level the Norwegians and the Brazilians get a long perfectly, much better than I had expected before coming here.

11) This is a case of flat structure versus a hierarchy. There are bigger organizations here because of this. In Norway as you know we organize our businesses with everybody from the janitor and cleaning lady to the managing director more or less on the same level. They all sit at the same table during lunch! The managing director makes probably 2 or 3 times as much as the cleaners. Here in Brazil that number is probably 20 and they would not sit together at lunch. It has to do with society I guess. There is a class system here in Brazil and businesses are organized accordingly.

12) First of all it makes it challenging for us Norwegians to adapt to this system and way of working. It takes a while to learn how to work in a hierarchy. It is easy to break some of the “unwritten rules” that exist in Brazilian hierarchical organizations. I guess the best way to resolve these things is to ask questions before making a move, try to learn the system and always remember that things are not wrong or right, just different.

13) Except for the obvious problems with language, I have had troubles adjusting to the fact that you can’t seem to hold people accountable here in Brazil. Things go wrong, or at least they take a lot longer than they should and it is hard to find the person responsible. It has also been a personal challenge to accept the relationship that everybody has with time. I have invited people over for dinner, and as I am finishing the food five minutes prior to our agreed meeting time, they can call up and say that they are late. This happens a lot in business too, and as you know in Norway this a very rude thing to do. Respect for other peoples time as we say in Norway, it is not something they consider at all it seems. Besides that I love living here and I enjoy the work related challenges as well!
Interviewee #9

1) 2 years now and I am in the oil and gas industry.

2) Senior systems engineer. 45 years old.

3) I think it’s more or less the same as back home. Maybe here in Brazil there is slightly less trust, but I think it’s more a case of us Norwegians being overly trusting in Norway.

4) Again I think the level of trust is very similar to that of Norway. The two countries and societies are different no doubt about that but the people are more similar than you would think. I think Norwegians and Brazilians go together very well.

5) There is one thing that I notice in negotiations here and that is the time it takes. It feels like the Brazilians think a short negotiation is a bad negotiation. It might just be me, but for sure we made and sealed the deal a lot quicker in Norway.

6) Yes they plan differently, but that is just because the environment that we work in here in Brazil is so unpredictable. The bureaucracy takes a lot of time here, and many things change along the way. It affects the business basically by taking longer time – I’m not exactly sure why but it differs from project to project. It can be frustrating, but I am getting used to it now.

7) I don’t really have any ideas, except of course trying to agree on more things my e-mail etc before the meetings. I don’t think it would work though.

8) In my opinion no, I think that it’s normal for all people to be happy in good times and a little “down” in bad times.

9) In Brazil it gets personal right away. In Norway we can discuss something, disagree and be just as good friends after. Here in Brazil it seems different, people take things personally. That makes it harder to get your point across without offending anyone.

10) The Norwegians here should watch their language, and try to be a little less direct. We are maybe too direct in Norway. In Brazil we should
remember that it is not our country and we have to play by their “rules”, because if we don’t fit in we won’t get any work done either.

11) Of course there is the difference in organizational maps etc.. Here in Brazil it is very “top to bottom”, a hierarchy if you will. In Norway there is much less distance between management and the lower level people.

12) I think for us Norwegians it is difficult to accept and understand the hierarchy. We have our set ways, often going straight to the top when there is a problem. This we have to be careful about, and try not to step on anyone’s toes.

13) I have always had an open mind and so I can’t say I have had any real big challenges. I enjoy Brazil and living here is wonderful. The Brazilian people are very sympathetic and if there have been any problems at work I have simply asked for help and it has always solved the problem for me. Maybe others experience working here differently, but I for one enjoy it and want to stay for many years to come.