

Doing Business in Argentina

Instructor's Guide



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OBJECTIVE

Objective: to give the participant a better understanding of Argentina's unique culture and way of doing business.

Who should use this program?

Executives, managers and other professional personnel preparing for:

- Travel to Argentina
- Living in or relocating to Argentina
- Working with Argentines in the United States

Spouses and family preparing for:

- Living in or relocating to Argentina

Students:

- Of international business, marketing, management and related disciplines
- Of cross-cultural topics, foreign languages, and related disciplines
- Preparing for travel or living in Argentina

MATERIALS

Video

- Approximately 43 minutes in length
- Includes location footage, expert interviews, dramatizations and graphics
- Divided into 8 chapter-like sections, each with a section introduction and summary. These 8 sections are:
 1. Orientation
 2. History
 3. Economy
 4. Etiquette
 5. Business Relationships
 6. Communicating
 7. Negotiating
 8. Management

Note: Non-business viewers (language students, spouses, etc.) should watch sections 1,2,4, and 6. The remaining sections are optional.

This Instructor's Guide

- This guide is designed to enable the instructor to create the most effective learning experience.

SUGGESTED INSTRUCTION SESSIONS

For Students

1. Instructor should view video.
2. Confirm availability of player and monitor.
3. Make a photocopy for each student of video outline in this guide.
4. Show Video. **
5. Use discussion questions in this guide to facilitate classroom discussion.
6. Administer test using essay questions and/or test questions in this guide.

For Executive Self-Study

1. Make a photocopy of video outline in this guide. The video outline should be used to highlight and/or take notes while viewing video.
2. View video.
3. Reflect on discussion questions in this guide.
4. Use photocopy of test questions in this guide for self-testing.
5. Check test answers.

For Executive Training

1. Instructor should view video.
2. Confirm availability of player and monitor.
3. For each participant, make a photocopy of a) video outline and b) test questions in this guide. The video outline should be used to highlight and/or take notes while viewing video.
4. Show video.**
5. Use discussion questions in this guide to facilitate group discussion.
6. Administer test using essay questions and/or test questions in this guide.

For Spousal/Family Training*

1. Instructor should view video.
2. Confirm availability of player and monitor.
3. For each participant make a photocopy of a) video outline and b) test questions in this guide. The video outline should be used to highlight and/or take notes while viewing video.
4. Show video. **
5. Use discussion questions in this guide to facilitate group discussion.
6. Administer test using essay questions and/or test questions in this guide.

**Note: Non-business viewers (language students, spouses, etc.) should watch sections 1,2,4, and 6. The remaining sections are optional.*

** Video can be viewed either in one session or multiple sessions. If viewing in multiple sessions, pausing is recommended after section breaks.

VIDEO OUTLINE

This is an outline of the entire video in detailed not form. For most effective learning, all participants should be given a photocopy of this outline prior to viewing the video.

1. ORIENTATION: A EUROPEAN COUNTRY IN SOUTH AMERICA

□ Argentina is the most European-influenced country in South America

This nation is home to wide-open spaces and the legendary cowboy-like gaucho. But it is also the most European of South American countries. 85% of its more than 34 million people are descendants of European immigrants, mostly from Italy.

The European influence can be seen in many areas. For example, Spanish is the official language while Italian, French, English, and German are also spoken by immigrant groups.

This European influence has a strong impact on business. For example, consumers tend to prefer European products. Companies marketing here are advised to emphasize a European approach to style, marketing, etc.

Unlike some of its South American neighbors, Argentina has very little connection with its Indian history. There is a tendency to look down on the indigenous people.

□ It's a vast, sparsely populated country, heavily centered around Buenos Aires

Argentina is a large country, eighth largest in the world. To give you a perspective, it's about one-third the size of the United States

The landscape of Argentina is incredibly varied. It ranges from sub-tropical in the north, to the rolling grasslands and ranches of Patagonia, to Arctic conditions in the South.

The Andes Mountains in the west are capped by the highest peak in the western hemisphere. Mount Aconagua rises nearly 23,000 feet, and is the crowning jewel of the Andes.

The heart, mind and soul of the country is the capital, Buenos Aires. More than 450 years old, it is the undisputed center of the country, the focal point of business, government and the arts.

It's a vast city, home to more than 1 in 3 Argentines.

Residents of Buenos Aires, known as Porteños, are very proud of their European-style city. A favorable comparison to Europe – especially Paris – is a great compliment.

Buenos Aires is the birthplace of the sultry dance, the tango.

Buenos Aires is also the nation's transportation hub. Even if you're traveling elsewhere in the country, you'll likely fly through Buenos Aires.

❑ Remember seasons are opposite of those in the U.S., with winter falling in June through August.

For the most part, Argentina offers a temperate climate. But it's important to remember that the seasons are opposite those in the northern hemisphere. Remember to dress warm in the winter months of June, July and August.

It's also a good idea to avoid traveling here during the vacation months of January or July.

2. HISTORY: BLOOD, SWEAT, AND TEARS

Argentines will appreciate an understanding of their history so it's a good idea to study it before arriving.

Much of Argentina's history has been written in blood. One of the last regions in the world to be inhabited, humans first arrived about 9,000 years ago.

❑ Argentina is a former colony of Spain

The first European landed in 1516. A region comprising Argentina and most of the southern part of the continent was a vice royalty of Spain for the next three centuries.

Spain's interest in the region was precious metals; in fact the word Argentina means "silver." But very little was ever found, so little was done to develop the region.

Spain's influence lives on in many facets of Argentine life, from language to religion. In fact about 95% of the population is Catholic.

Revolution broke out in 1810, and the region won its independence from Spain in 1816.

The great hero of independence was José de San Martín. Virtually every town or city in the country has a street or a plaza named after him.

❑ **There's a historic rivalry between Buenos Aires and the rest of the country**

The initial era of independence saw little unity. There was great tension between Buenos Aires and the inland provinces, a rivalry that still exists today. Regions soon broke off into other countries, forming Uruguay and Paraguay.

Civilian rule was mostly peaceful and stable until the 1930s when Argentina saw the first of many military coups. The military ruled the country with a heavy hand for much of the next 50 years.

❑ **Juan Domingo Perón and his wife Evita were 20th century heroes of the working class.**

The most controversial leader of the 20th century was Juan Domingo Perón, whose appeal to the working class won him the presidency in 1946.

Perón did much to increase the size and improve the lifestyle of the middle class.

He was further elevated by the popularity of his wife, Evita, who was immortalized in the Broadway play. The Peróns remain dear to many Argentines, even decades after their death.

❑ **Democracy returned in 1983 after the end of military rule.**

After Perón's death, military rule returned, reaching its darkest hour in the 1970s when thousands of Argentines died or disappeared during the so-called "dirty war."

In 1982, the military tried to divert attention from a bad economy with the invasion of the Falkland Islands, or Malvinas as they are known in Argentina. The war was a humiliating defeat that led to the end of military government and the return of civilian rule.

While it's important to know about the country's history, most Argentines have strong feelings about the Perón years and the Falkland/Malvinas islands war, so try to avoid those topics. If you must refer the islands, use the name Malvinas.

3. ECONOMY: A WEALTH OF AGRICULTURE

“Argentina was blessed by resources, but cursed by politics.” – local saying

❑ Argentina has a strong middle class, supported largely by a strong agriculture sector

Despite its occasional political turmoil, Argentina traditionally has been the wealthiest country in South America. In fact, in the early 20th century it was one of the 10 richest countries in the world.

Since then, its fortunes have slipped. For comparison, its per capita gross domestic product is about one-third that of the United States.

Nonetheless, its middle class is one of the largest and most prosperous in South America.

Agriculture has long been the driving force of the economy. Traditionally one of the cornerstones of Argentina’s economy has been the beef industry. It’s also the center of the local diet; Argentines eat more beef than any other people in the world.

Argentina also exports large amounts of seafood, as well as wheat, corn, soybeans and cotton. In fact, 60% of all land area in Argentina is used for agriculture.

Top imports include consumer goods, industrial machinery such as food processing and meatpacking equipment, motor vehicles, textiles and chemicals.

❑ A history of strong government intervention has created bureaucratic obstacles

Argentina has a history of government intervention in business. During the Perón years, many industries were nationalized.

While this helped nurture local industry, it created inefficiencies and a legacy of bureaucracy that lingers to this day.

When faced with bureaucratic obstacles, it’s best to seek advice from knowledgeable sources. Potential sources of advice include the American Chamber of Commerce in Argentina and the commercial section of the US Embassy.

A legacy of inflation can lead to short-term thinking and planning.

Like many of its neighbors, Argentina accumulated massive foreign debt by the 1970's. This crippled the economy and led to hyperinflation of more than 4,000% per year.

This created havoc for the business community. For example, restaurants had to change their menu prices as often as three times per week.

Although inflation has since been reduced dramatically, it still has an effect on the nation's business culture. The specter of spiraling prices often leads to short-term thinking and planning. For example, local businesses might hesitate to do long-term contracts.

□ The 1990s saw a wave of privatization and reduced barriers to business

The 1990s saw dynamic change in the economy. Industries were privatized, bureaucracy and trade restrictions reduced, and the Argentina currency stabilized and linked to the U.S. dollar.

President Menem is credited with being the impetus for much of this change.

One result of these changes is the establishment of a free-trade agreement with other South American countries.

Mercosur, as the group is known, is vital to foreign businesses in Argentina because it allows simultaneous access to the markets of different countries.

4. ETIQUETTE: FORMAL ATTITUDE REQUIRED

□ Business in Argentina – from clothing to conversation – is quite formal.

Compared with the rest of Latin America, business in Argentina is quite formal. This can be particularly true in Buenos Aires, or when dealing with senior executives of traditional family-held companies.

Image plays an important role. Argentines dress very well, especially at higher levels, and the visitor should dress well too.

Business attire should be conservative and top-quality. Every detail of your wardrobe, from shoes to briefcases, will be noticed.

Another part of your image is your home or lodging. Again, because of this focus on quality, it's important to stay at a first-rate hotel.

❑ **Be prompt, but be patient if you're kept waiting.**

One of the most important things about business in Argentina is that it takes more time.

Don't expect to rush through business. It will probably require several visits to accomplish your objectives.

Appointments often start late. While you are expected to be on time, your local counterpart might be late. The more important the person, the longer they might keep you waiting, especially in government.

❑ **Use professional titles whenever possible and courtesy titles at other times.**

Argentines will usually greet you with a handshake and a slight nod.

Male friends might also greet with an abrazo, or embrace, although this is less common than in other Latin American countries.

On a more surprising note, business associates of the opposite sex might greet each other with a light kiss on the cheek. An Argentine man meeting a U.S. businesswoman might kiss her on the cheek, even at the beginning of the first meeting.

If you wish to avoid this, one solution is to extend your hand for a handshake immediately upon meeting.

When meeting a group, it's important to greet each individual, starting with the most senior official.

Typical of Latin countries, first names should not be used until suggested by the host.

While Latin Americans typically have two last names, most Argentines have only one.

The use of two last names is rare in Argentina, and tends to be practiced only by very important families. In this case, it's appropriate to use both last names when addressing the person.

Alejandro Peralt Ramos = Señor Peralt Ramos

Whenever possible, use professional titles such as Ingeniero, Professor, or Doctor. Doctor is a generic title which is used to address attorneys as well as physicians.

Person with engineering degree = Ingeniero

Professor = Professor

Lawyer or physician = Doctor

If a person doesn't have a professional title, courtesy titles such as señor, señora or señorita are suggested.

Mr. = Señor

Mrs. = Señora

Miss = Señorita

If in doubt, titles are usually printed on business cards. In any event, it's highly recommended that you confirm the last name, pronunciation and title with your contact's secretary.

❑ Expect to engage in idle conversation, so brush up on Argentine current events.

Before getting down to business, a meeting will typically start with casual conversation. This is important – it's considered rude to jump right into business.

During that time, you might be offered refreshments, usually a cup of espresso. It's polite to accept something to drink.

During the meeting, expect frequent interruptions. This is normal and patience is a must.

❑ Be sensitive to the strong sense of pride.

It's important to know that Argentines have a strong sense of pride, and can be offended easily.

Sometimes this pride and high self-esteem can border on the extreme. For example, Argentines consider Buenos Aires the equivalent of nothing less than Paris. Even locals refer to the "Argentine Arrogance."

Because of this pride, it's important to avoid comments that could be taken as criticism. At the same time, be sure to pay sincere compliments when appropriate.

At the end of a meeting, be prepared for more small talk. Always let the senior Argentine host decide when the meeting is over.

5. BUSINESS RELATIONSHIPS: KNOW WHO

- ❑ Third-party introductions might be necessary, especially for smaller companies.**

If the building blocks of business are made of money, personal contacts are the framework in Argentina. You'll need to make the right contacts to be successful.

To get your foot in the door, you might need an introduction, especially if your company is small and not well-known here.

Organizations that can help you make contacts include:

- American Chamber of Commerce in Argentina
- Argentine-American Chamber of Commerce in New York
- Embassy or Consulate
- Country Clubs
- Business Associates
- And professionals such as accountants, attorneys, and consultants

Contacts can help direct you to the top where decisions are made. Dealing with mid-level managers is usually fruitless.

Contacts can be particularly important when dealing with the government. Without one, you might not even get an appointment.

- ❑ Emphasize creating relationships build on trust.**

As in much of Latin America, Argentines prefer to do business with people they know. Business is based on personal relationships, and these relationships are based on trust.

Quite often you'll have to build a relationship before any business can be conducted.

Before an Argentine does business with you, they'll want to size you up. They'll look you over and decide whether you're an appropriate business partner, and you'll need to prove yourself.

❑ Relationships are built through casual conversation

The most important way that an Argentine will get to know you is through casual conversation. A substantial amount of small talk usually precedes most meetings.

During conversation, you'll probably discuss sports, the arts, such as jazz or opera, and local sights and restaurants. It's a good idea to ask your host for a recommendation for a restaurant.

Argentina's economy is an excellent subject, so it's a good idea to brush up.

One of the best topics of conversation is the national sport of soccer, or *fútbol* as it is known locally. Most business people and officials have a favorite club or team; it's a good idea to find out your counterpart's favorite club.

Since Argentines tend to be very private people, it's best to avoid asking questions about their family until they bring up the topic.

Other subjects to be treated with caution include politics, religion and neighboring countries.

❑ Business meals are excellent for building contacts

Once you've made contact, business meals are often a good way to build relationships.

Plan on spending a lot of time at meals. They are social occasions and are used to build the business relationship.

Don't be in a hurry to bring up business during the meal. It's best to wait until coffee is served to talk business or better yet, wait until your host brings it up.

Even at lunch, alcohol is usually part of the meal. Scotch, which locals call *Whiskey*, is the most typical drink. Because of import duties, foreign liquor is extremely expensive, so order it only if your host does.

Be prepared to enjoy some of Argentina's fine wines during a meal. However the visitor should avoid pouring. There are a series of complex rules when it comes to pouring wine, and violating these rules can be offensive.

Dinners also are popular for business entertaining. But be warned: Dinner starts late.

Indeed, most restaurants don't even open until 7:30 to 8 p.m. This can be frustrating for the visiting businessperson hungry after a hard day's work.

On weekends, a dinner party might start as late as 10 p.m. and last four hours or more.

It's a good idea for the visitor to prepare for this unusual schedule. One way to adapt is to enjoy the Argentine custom of teatime, with tea and snacks served around 6 p.m. This will help tide you over until dinner.

Further, bear in mind that most Argentines retire late in the evening, and so it's best to avoid scheduling breakfasts or early meetings of any kind.

And remember, as in other Latin countries, the person who invites should pick up the tab.

❑ There are other ways to build relationships.

Dining isn't the only way to develop a relationship. Other appropriate activities include tennis, golf, sailing, or visiting a business site together.

Gift giving is an important part of a relationship. A suitable present might be fine whiskey or French champagne, or a gift for children.

If you're making a return trip to Argentina, ask your host if there's something in particular you can bring.

❑ Invitations into a home are a very good sign; be sure to bring a gift.

If you're invited to a home, be sure to bring a gift such as chocolates, champagne, or whiskey. And be sure to dress well.

Bear in mind invitations into a home are rare, and should be taken as a very good sign.

6. COMMUNICATING: LISTEN BETWEEN THE LINES

To do business effectively with Argentines, you must understand their unique values and communication patterns.

❑ Even though English is widely spoken, speaking Spanish or Castellano will win more business

Even though English is widely spoken here, it's important to always ask permission before speaking English.

Better yet learn Spanish, specifically the local version that is known as Castellano. Any effort on your part to speak the language will be greatly appreciated.

It's best if important documents and your business card are translated into Spanish.

☐ Communication is physical and Argentines stand close when speaking.

While most business here is conducted in person rather than over the phone, it's important to know that Argentina's telecommunications system has been restructured in recent years.

Many phone numbers have been changed, so even relatively recent directories can be outdated. Be sure to get the most recent information.

As in much of Latin America, communication tends to be physical. Argentines use their hands and gesture a lot while talking.

In conversation, people tend to stand close. An Argentine might finger the lapel of your jacket, or pat you on the back. These are signs of acceptance and should be welcomed.

☐ Communication is subtle, and it's often necessary to read between the lines.

Argentines place great importance on eloquence. It's a good idea that your team members be polished speakers.

Communication here also tends to be very diplomatic. Argentines tend to avoid being direct, which might be misleading or frustrating for the visitor.

For example, an employee might be reluctant to give bad news; potential business partners will be hesitant to say no to a proposal.

Therefore, it's often a challenge to figure out what someone is really saying.

To communicate effectively here, it's essential to understand that Argentine communication is based on context, rather than content. You have to read between the lines, and take body language, relationships, situations and other factors into consideration to get the true meaning of a conversation.

One way to overcome this confusing diplomacy is to offer an easy way out. For example, you might say: “If you’re not interested in our proposal at this time and need to bow out, please do so.”

At the same time, Argentines can be surprisingly frank in casual conversation. A friend might make a derogatory comment such as saying you are overweight. It is only meant to be friendly chit-chat and should not be taken as an insult.

❑ Family is the supreme value and plays an important role in business.

To truly understand Argentines, it’s critical to understand their values. Like most people, they’re eager to boost their economy and standard of living. But at the center of their universe is family.

Family plays a very important role in business. For example Argentines are not likely to conduct business on a weekend at the expense of time with their family.

Positions are often attained through family contacts rather than accomplishments.

It’s a good idea for the visitor to avoid boasting about being self-made. Rather, you might want to emphasize your family background, and talk about your parents and their accomplishments.

❑ Women should emphasize professionalism, and avoid being offended by local culture.

As in much of the world, women are finding a growing role in business in Argentina. Nonetheless, it’s a challenge for businesswomen to succeed here.

A visiting woman might find Argentine men chauvinistic. But the situation is slowly changing.

For example, there is less outright machismo today, and it is usually found only at lower levels of society.

Nonetheless, a female visitor must be cautious to avoid misunderstanding. For example, she should dress conservatively.

The businesswoman may find it tricky to set up a business lunch or dinner. Although the person who extends the invitation should pick up the check, and Argentine man will never allow a woman to pay. The solution: invite a third-party male co-worker, who will pick up the tab.

Finally, bare in mind it's a different culture. Try to accept this culture, and avoid being offended easily.

7. NEGOTIATING: EMOTIONAL YET COOL

□ Plan more time for negotiations in Argentina.

Negotiating in Argentina can be a long, drawn-out process, and is played much like a game of chess. Argentines are known as tough negotiators, and concessions from them come slowly and grudgingly.

Like other aspects of business here, negotiating takes a lot of time. One reason is that Argentines tend to be very analytical, carefully looking at each step.

Because Argentines like to take their time, it's important to adapt to the slower pace to avoid appearing anxious. If visiting, you should not expect a decision during your trip. A good strategy might be to make your offer, then return home and allow them to consider your proposal.

Another factor relates to a legacy of corruption in business. To combat corruption, decision-making often involves a long series of checks and balances.

Therefore, it's very important to build a sense of trust during the early phase of negotiations.

□ Try to interpret motivations and aspirations before moving to specifics.

The initial stages of negotiations will be focused on general themes. Only later in the process do you begin to discuss specifics.

To be successful, you must try to interpret your hosts' aspirations and motivations. This can be challenging because money is not always the primary motivation.

In Argentina, other factors such as prestige, technology or travel opportunities might carry more weight.

Its' also important to understand how Argentines think. Because of their strong link to the Old World, they might be less open to new ideas.

❑ Deal making can become very emotional, but mind your manners.

Argentines tend to view situations subjectively, with a greater emphasis on feeling and intuition.

There is less emphasis on facts and figures. This is particularly true of traditional, family-held companies.

Try to appeal to their emotions, and be enthusiastic and show positive emotion during your sales pitch.

One strategy is to paint a positive picture of the future. A company selling construction equipment might describe how the purchase of its equipment will lead to the building of fine new homes for Argentines.

Be forewarned that discussions can often develop into a heated, sometimes theatrical process. Argentines may feign anger, then storm out of a discussion and pretend the deal is over.

However, it's important to keep your cool. Argentines place tremendous emphasis on breeding, and a person moving too aggressively will be seen as rude or uncouth. At the same time, it's important to stand your ground.

❑ Finally, remember everything's open to change until the contract is signed.

Even well into the process, it can be hard to gauge your progress. One way to get a feel for where you stand is to have a private conversation with your key contact at the host company. Simply ask their opinion on how things are going.

Be forewarned that Argentines have a tendency to up the ante at the last minute.

Also never assume that any part of a deal is written in stone until the contract is signed. Until the entire agreement is signed, each part is subject to re-negotiation.

8. MANAGEMENT: KNOW WHO'S BOSS

❑ Argentines have a strong yet different work ethic.

Argentina's work force has a lot to offer. The literacy rate is about 95%, and the skill level of workers is on par with that in other industrial countries.

Furthermore, Argentines have a relatively strong work ethic.

Nonetheless, it's important to know that there's a different approach to work here. For example, Argentines tend to take longer breaks for coffee and lunch. At the same time, they tend to work longer hours.

Another challenge facing managers in Argentina is that they are less likely to find a "can-do" attitude. When things go wrong, employees often see it as fate or bad luck, and that little can be done about a problem.

❑ Management tends to be authoritarian and paternalistic.

Management in Argentina is very straightforward, focusing on a simple concept: knowing who is boss. That comes from ties to Europe and a focus on aristocracy instead of democracy.

Argentina's management style is authoritarian, with power and decision-making concentrated at the top. There is often a strong fear of the boss.

It's important for managers to maintain an appropriate image here. For example, seeking advice from a subordinate might be seen as a sign of weakness.

Management is also very paternalistic. Bosses are expected to develop a father-like relationship with employees, and offer advice even on personal matters.

❑ It's essential to use numerous channels to get accurate feedback.

Probably the greatest challenge facing managers is getting accurate information and feedback from employees. This is partly because employees might fear giving the boss unfavorable news.

This can make it difficult for the manager to judge how well – or how poorly – a business is performing. The best counter-strategy is to visit the factory or office frequently, and get feedback from a variety of sources.

On a related issue, employees will often avoid asking for instructions or clarification, even if they don't understand.

❑ Liberal praise helps overcome difficulties involving pride and face.

A strong sense of pride and fear of disappointing the boss are the primary reasons for these communication difficulties.

A good response is to lavish employees with praise whenever possible. This will be particularly appreciated, since praise tends to be rare in the Argentine work environment.

Managing a work force in Argentina will require just that – management. It's very important here to be clear about your goals, and follow up persistently to make sure those goals are met.

DISCUSSION QUESTIONS

The following questions are appropriate for discussion in both professional training and academic teaching. In this context, they are designed to promote further reflection on the material learned. Possible answers might lie outside the scope of the video.

The questions in the section can also be used as essay questions in an examination.

Note: This section can be photocopied for participants for use as either A) discussion notes or b) a test.

ORIENTATION: A EUROPEAN COUNTRY IN SOUTH AMERICA

1. Name three ways European influence is evident in Argentine culture.
2. Argentina is heavily centered around Buenos Aires. What implications might this have for business?
3. What challenges might a traveler face in Argentina?

HISTORY: BLOOD, SWEAT, AND TEARS

1. Argentina was a colony of Spain. How might this be evident in the country's culture today?
2. The military has played a large role in Argentina's modern history. What implications are there for business? (the threat of nationalization of industry, loss of capital, etc.)

ECONOMY: A WEALTH OF AGRICULTURE

1. Argentina's per capita gross domestic product is roughly one-third that of the United States. How should this influence business strategies of companies doing business with Argentina?
2. What are some of the potential problems a business might face with bureaucracy in Argentine business?
3. Agriculture is the primary force in Argentina's economy. What implications does this have for companies wishing to do business here?

4. Argentina has seen a great deal of hyperinflation. What problems might rapid price increases pose to business?

ETIQUETTE: FORMAL ATTITUDE REQUIRED

1. Argentine business is very formal. What steps might a U.S. business person take to prepare for doing business there?
2. Argentine business meetings can sometimes be quite different from those in the United States. What are some of the main differences? How does the use of names and titles differ from that in the United States?
3. Business meetings in Argentina tend to start with substantial warm-up conversation. What steps might the visitor take to prepare for this?

BUSINESS RELATIONSHIPS: KNOW-WHO

1. Consider how business relationships are formed in Argentina. How are business relations like/unlike those in the United States?
2. You've identified a potential business partner in Argentina. What steps would you take to successfully do business with them?
3. Business relationships in Argentina place heavy emphasis on trust. What steps might you take to foster a feeling of trust?

COMMUNICATING: LISTEN BETWEEN THE LINES

1. Communication is vital in any business relationship. Discuss specific challenges visitors may encounter when trying to communicate with Argentines.
2. What problems might be experienced by a visitor who does not know Spanish?
3. How is Argentine business culture affected by their emphasis on the value of family? How do other cultures treat family's role in business affairs?
4. What additional challenges might a businesswoman encounter in Argentina? What solutions might she adopt?

NEGOTIATING: EMOTIONAL YET COOL

1. The negotiating style in Argentina is quite different from that in the United States. What are the potential challenges faced by visitors, and what strategies might they adopt to negotiate successfully?
2. Deal-making in Argentina takes more time. What implications does this have for business?
3. Compared with their U.S. counterparts, Argentine negotiators are likely to place less emphasis on facts and figures. What problems might this pose? What are some possible remedies?
4. Negotiations in Argentina can become heated. How might the visitor prepare for this?

MANAGEMENT: KNOW WHO'S BOSS

1. How does the Argentine view of work differ from that in the United States? What ramifications might this have?
2. What obstacles must visiting managers overcome when leading Argentine employees?
3. Considering the differences in business cultures, discuss specific ways visiting managers can increase their effectiveness when managing Argentine employees.

MULTIPLE-CHOICE QUESTIONS

- 1. Argentina's population is primarily descended from:**
 - a) Italian and other European immigrants
 - b) Mixed Spanish/Indian descent
 - c) Portuguese
 - d) The Argent tribe

- 2. Argentina's topography is:**
 - a) Broad in range, from rain forest to arctic
 - b) Mostly arctic conditions
 - c) Mostly tropical rainforest
 - d) Mostly urban

- 3. You'll have to dress warmly when visiting Argentina in August.**

True False

- 4. Which of the following most accurately describes Argentina's early history?**
 - a) Italian colony, followed by strong post-revolution disunity
 - b) Italian colony, followed by strong post-revolution unity
 - c) Spanish colony, followed by strong post-revolution disunity
 - d) Spanish colony, followed by strong post-revolution unity

- 5. Which of the following correctly describes Argentine politics since the mid-20th century?**
 - a) Communist government/military dictatorship/democratic free elections
 - b) Populist president/military dictatorship/democratic free elections
 - c) Spanish colony/military dictatorship/democratic free elections
 - d) Spanish colony/populist president/democratic free elections

- 6. Which of the following accurately describe Argentina's economy?**
 - a) One of the world's 10 richest countries in 1900, large middle class today
 - b) One of the world's 10 richest countries in 1900, small middle class today
 - c) One of the world's 10 richest countries in 1990s, large middle class today
 - d) One of the world's 10 richest countries in 1990s, small middle class today

- 7. The 1990s saw a wave of privatization and reduced barriers to business.**

True False

- 8. Which of the following is not an effect of Argentina's history of inflation?**
 - a) Emphasis on long-term planning and investing
 - b) Long decision-making process
 - c) Reluctance to sign long-term contracts
 - d) Short-term thinking

9. Business in Argentina is more formal than in the United States.

True False

10. During a first meeting, which of the following would be the best choice for addressing an Argentine:

- a) Courtesy title such as Señor
- b) First name
- c) Professional title such as Doctor
- d) The phrase "my dear friend"

11. Which of the following might be a good conversation topic?

- a) Jazz
- b) Relations with Chile
- c) The Broadway play Evita
- d) The Falkland Islands

12. All of the following are appropriate during an Argentine meeting except:

- a) Be on time
- b) Get right down to business to avoid wasting their time
- c) Greet each individual in the group
- d) Wear an expensive suit

13. You've identified a potential business partner. Which of the following would be the most appropriate first steps:

- a) Ask mutual acquaintances for introduction, request lunch meeting
- b) Ask mutual acquaintances for introduction, request business meeting
- c) Thoroughly research partner's company, request lunch meeting
- d) Thoroughly research partner's company, request business meeting

14. All of the following are appropriate ways to build a business relationship except:

- a) Go to a soccer game
- b) Make plans to go to a local opera
- c) Suggest that you visit your partner's family and home
- d) Tour a factory together

15. Six p.m. is the best time to plan a business dinner in Argentina.

True False

16. Which of the following best describes communication with Argentines?

- a) They speak Argentine, prefer close personal space
- b) They speak Argentine, prefer distant personal space
- c) They speak Spanish, prefer close personal space
- d) They speak Spanish, prefer distant personal space.

17. Argentine communication is contextual. All of the following are factors in contextual communication except:

- a) Body language
- b) Relationships
- c) Situation
- d) The content of words

18. To avoid being blamed, an Argentine employee will always seek to give their manager bad news as soon as possible.

True False

19. Which of the following is the supreme value for an Argentine?

- a) Business relationships
- b) European heritage
- c) Family
- d) Paternalistic authority

20. All of the following describe an Argentine negotiating style except:

- a) Greater emphasis on emotions, feeling
- b) Might ask for additional concessions late in negotiations
- c) Motivated exclusively by profit, bottom line
- d) Old World thinking may lead to hesitation about new ideas

21. Your Argentine partners are hesitating about making a deal. Which of the following would be the most appropriate response:

- a) Leave the country and let them “think it over”
- b) Offer a special incentive for deciding now
- c) Try a hard sell approach
- d) Walk out of negotiations

22. Argentine negotiators are likely to place less emphasis on facts and figures.

True False

23. All of the following characterize Argentine workers except:

- a) Likely to be illiterate
- b) Might blame bad luck for a problem
- c) Likely to hesitate giving an unfavorable report
- d) Will work late at night

24. When managing Argentine workers, it’s best to take an egalitarian approach.

True False

25. Managers in Argentina are likely to find all of the following problems except:

- a) Difficulty delegating responsibility
- b) Employees failing to ask for clarification
- c) Poor work ethic
- d) Problems getting feedback

NOTES

Answers to Multiple-Choice Test Questions

1. a
2. a
3. True
4. c
5. b
6. a
7. True
8. a
9. False
10. c
11. a
12. b
13. a
14. c
15. False
16. c
17. d
18. False
19. c
20. c
21. a
22. True
23. a
24. False
25. c