

Doing Business in Argentina | Argentinian Social and Business Culture

An Argentinian Culture Overview

Fact file

- **Official name** – Argentine Republic
- **Population** – 40,913,584*
- **Official Language** – Spanish
- **Currency** – Argentinian peso (ARS)
- **Capital city** – Buenos Aires
- **GDP** – purchasing power parity \$575.6 billion*
- **GDP Per Capita** – purchasing power parity \$14,200*



An Argentinian Overview

Argentina is a country with a vibrant, rich culture influenced by its diverse population and proud heritage. This unique culture stems from Argentina’s strong European ties mixed with indigenous people of South America. Although the country has struggled through political turmoil in recent years, Argentina has managed to overcome much of its strife and is now turning into one of South America’s most prosperous nations. As an emerging market, Argentina opens its arms to new business ventures and endless international opportunities. It is important to understand and appreciate this unique culture to ensure successful working relationships with Argentinians.

Argentinian Culture – Key Concepts and Values

Personal Relationships- Personal relationships are highly valued in Argentina. People in Argentina take a sincere interest in others and spend a lot of time getting to know each other. Argentinians also place emphasis on networking so it is essential to develop relationships personally and professionally before doing business with Argentinian counterparts. Knowing the right people will also help minimise any frustrations one might have when conducting business in Argentina.

Time- Time in Argentina is approached in a very relaxed and flexible manner. Punctuality is not a priority among Argentinian people and you may find they arrive late to business functions. Argentinians also tend to multitask, often allowing interruptions to distract them from the task at hand. They prefer to deal directly with issues rather than taking the time to plan things out.

Status- Argentinian people are very status conscious. They believe that appearance is important and that quality clothing and appearance convey status so it is important to dress in a conservative and professional manner.

Religion – Religion is an integral part of daily life in Argentina as over seventy percent of the country is Catholic. Though many people no longer actively go to church, many customs and holidays are based on Catholic traditions

Doing Business in Argentina

After centuries of Spanish rule, Argentina finally gained its independence in the early nineteenth century. Argentina was once considered one of the world's wealthiest countries, but through economic crisis and financial turmoil, the country plummeted from the world stage and Argentina was left to rebuild itself. By diversifying its economy and developing its exports, Argentina has been able to reclaim its place as a world player. Agriculture accounts for the majority of exports, with petrochemicals, oil and natural gas following closely behind. As the economy continues to thrive with annual growth rates over eight percent, Argentina is an ideal location for potential business investments. An understanding of Argentina's historical, political and economic context as well as its unique social and business cultural is vital for any organisation wishing to do business in Argentina.

Argentinian Business Part 1 - Working in the Argentina (Pre-departure)

- **Working practices in Argentina**
 - Business hours are normally from 9am to 7pm Monday to Friday. It is not uncommon however for businesses to remain open until 9 or 10 pm. Business lunch hours vary but are normally between 1 - 3pm. Business dinner events usually begin late evening around 10pm.
 - Argentinians have a much more flexible attitude towards time. Therefore, do not be surprised if business meetings or social events begin late.
- **Structure and hierarchy in Argentinian companies**
 - Business organisations in Argentina tend to be hierarchical. Decisions and ideas are generated at the top. Status is important in Argentinian society and respect should be given to supervisors and work colleagues.
 - As Argentinian society is very status conscious, it is important to address colleagues with the proper title followed by only his or her father's surname, unless invited to do so otherwise.
 - Many Argentinian women are well educated and more are entering the workforce. However, women tend to leave the workforce upon having children, but a common practice with many Argentinian women is to hire a nanny so that they may return to work.
- **Working relationships in Argentina**
 - Business relationships in Argentina are based on trust and familiarity. Personal contacts and networks are important in making business deals. Cultivating friendships will improve your success in the business world in Argentina.
 - Argentinians prefer to knit their private and professional lives together. They may be hesitant to trust people at first so it is important to take the time to develop interpersonal relationships with your Argentinian counterparts before conducting business.

Argentinian Business Part 2 - Doing Business in Argentina

○ Business practices

- Business in Argentina is conducted entirely in Spanish. Most Argentinians do have a working knowledge of English, but it is wise, however, to bring an interpreter to meetings if you do not have a proficient knowledge of Spanish.
- Negotiations can be quite lengthy as Argentinians are very detail-oriented and want to examine everything thoroughly before reaching an agreement. Although generally very informal, they rely on a clear, work-related structure and value rules and procedures.
- Initial introductions in Argentinian business are informal. A handshake while maintaining strong eye contact is the normal greeting and should also be exchanged upon leaving. Once a relationship has developed into friendship, a kiss on the cheek complements the handshake.
- Argentinians do not hesitate to interrupt, argue or criticise if they feel it is needed. Arguments and debates are generally considered constructive ways of bringing about new ideas. Argentinians prefer to deal with immediate issues, yet do not plan things out fully.

○ Business Etiquette (Do's and Don'ts)

- ✓ DO have your business cards printed in Spanish and English. Although most Argentinians have a working knowledge of English, you should never assume this. Argentinians will appreciate any effort you make to speak Spanish.
- ✓ DO arrive on time to meetings, but as a general rule, do not expect your Argentinian counterparts to do so. For Argentinians, arriving ten to fifteen minutes after the scheduled time is common.
- ✓ DO address your Argentinian business colleagues with the appropriate title. If you are unsure of the exact title, it is important to use "Señor" or "Señora" followed by his or her father's surname.
- ✗ DON'T use one finger to point. Instead use the whole hand when making gestures.
- ✗ DON'T be offended or surprised if your Argentinian colleague is in your personal space. Many Latin American cultures use close physical proximity as a way of communicating with one another. It is not uncommon for colleagues to exchange kisses on the cheek.
- ✗ DON'T miss out on an opportunity to socialise with your Argentinian colleagues outside the office. People in Argentina make a point to get to know their colleagues so don't be surprised if you are invited to attend football matches or have a coffee at a local café after work.

Argentina Culture Quiz – True or False

1. It is acceptable to discuss personal information in business meetings before getting to know your Argentinian business colleagues.
2. Tapping the finger to the thumb is commonly used to symbolise 'hurry up'.
3. It is not appropriate to make physical contact whatsoever beyond the initial handshake greeting.
4. Argentinians tend to place the individual before the company.
5. Being well-polished and ensuring you have a good overall appearance is an integral part of the business world and conveys status to Argentinians.

Culture Quiz - Answers

1. True. Argentinian people value personal relationships. It helps them to trust those with whom they are conducting business.
2. True. Body language such as this is often used by Argentinians to communicate.
3. False. Argentinians are not as aware of personal space as other Western cultures. You will therefore find that the distance between two people is often closer than what you are used to.
4. True.
5. True.

* Source: CIA World Factbook 2008

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