

Executives wanted, destination: Brazil

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There are a number of aspects that every company and executive should know before accepting an international assignment in Brazil.

Many executives working in Brazil share the view that Brazilian society is welcoming and creative, with a high degree of professionalism.

However, some admit that the expatriation experience there can be overshadowed by poor or inadequate management practices.

Further complicating the international assignment process are the country's excessive bureaucracy, and unfamiliarity with the language and culture.

If well managed, however, the experience can be highly enriching for both executives and their companies.

A [report](#) by [José Ramón Pin](#), Pilar García Lombardía and Ángela Gallifa of IESE's International Research Center on Organizations (IRCO) presents a roadmap for successful expatriation to Brazil and reflects the opinions of a broad sample of Spanish executives who have worked in the country.

Brazil's embarrassment of riches

Bordering practically all South American countries, Brazil is the gateway to the Latin American markets.

It is the fifth largest country in the world and the largest in Latin America. Its geographic

diversity makes it one of the region's leading commodities exporters.

With its huge internal market, the prospects for economic development are extremely promising. Indeed, Brazil is enjoying its best period of prosperity since the 1960s.

As a result of this growth, Brazil is in need of more executives than it is capable of producing locally.

However, the country's talent shortage may pose a risk to companies venturing into the market, as it increases the chances of expatriate executives not returning and instead being signed by a Brazilian company.

Brazil needs to improve its infrastructure, which is quite limited and uncompetitive.

The country's hosting of the 2014 soccer World Cup and the 2016 Olympic Games should help to jump-start these improvements.

At a time when recession is driving efforts to find new markets and internationalize, Brazil is a destination well worth considering for companies and executives alike.

Just one note of caution: Although Brazil has somewhat reduced its level of protectionism and opened its doors to foreign investment since the 1990s, be prepared for bureaucratic headaches, as well as difficulties overcoming the country's protectionist policies, which can hinder the process of expatriating workers.

Living and working in Brazil

Brazil differs from the rest of Latin America in terms of language, customs, culture and economic development.

"There are cultural differences, and the way people work and approach business is quite different," says one executive who has lived in the country for half a year.

Because of the types of business sectors that dominate in Brazil — namely, infrastructure and energy — the expatriates who are most in demand are those with an upper middle-level technical background.

Language differences, coupled with restrictions on temporary work visas, ranging from two to four years, mean that companies may be advised to select unmarried professionals, who tend to be a better fit for relatively short stays.

The cost of living in Brazil is the highest in Latin America, especially in major cities such as São Paulo, Rio de Janeiro and Brasília.

Clothing, transportation, personal care products and entertainment are substantially more expensive than in many parts of Europe and the United States. The differences in food and housing prices are more negligible.

Security concerns remain one of the biggest problems affecting Brazil. Newcomers to the country must take certain precautions, including installing home surveillance systems and taking particular care when travelling alone by car in urban areas.

Professional life

In Brazil, executive salaries are high, to match the cost of living.

As such, expatriate executives should weigh the terms of any assignment, in particular with respect to remuneration and additional perks.

The president of an organization can earn an average of 12,400 euros a month; a CFO, around 8,200 euros.

By contrast, a receptionist will typically earn no more than 450 euros — testament to Brazil's highly unequal income distribution.

Workdays are long, usually from 8:30 a.m. to well after 6 p.m. In São Paulo, for example, it is not uncommon for people to work until 9 o'clock at night. Working on the weekends, however, is not the norm.

Brazilian culture has much in common with the culture of Europe's Mediterranean region.

Physical contact is an important element of communication. "Doing business takes time; lots of interrelating and lots of conversation," says one expatriate executive in Brazil.

Informal dialogues play a key role, and it is common for executives and subordinates to have lunch together and talk about what they saw on TV or discuss soccer, which in Brazil is almost a religion, says one executive.

Reaping the Rewards of Patience and Persistence

"The big problem for many expatriate entrepreneurs who land in Brazil is that we make the

mistake of underestimating this society," explains one executive who has spent several months working there.

Often the biggest challenge is getting set up in the country.

Foreign workers need a residence visa and a work permit. The bureaucratic complexity is one of the foremost difficulties, with the onerous paperwork sometimes taking up to six months to complete.

"Patience, persistence and effort" is the advice given by one Spanish executive assigned to Brazil for the past year and a half. That, and "thorough preplanning."

If well prepared, "experiencing Brazil is a very interesting challenge and a great opportunity for professional enrichment."

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