

## IN THIS ISSUE

### Doing Business in Guatemala

By Craig Frank

Page 2

### Doing Business in Britain

By David Gilad

Page 5

### Doing Business in the Israel

By Ofer Kahane

Page 8

### Doing Business in Canada

By Ilan Sarid

Page 11

### Doing Business in Romania

By David Feingersch

Page 13



## FEATURES

### DOING BUSINESS IN GUATEMALA

There are probably plenty of places in the world that have opportunities as appealing as Guatemala, but few that would be as rewarding. The business environment is booming, as the country is finally coming out of a period of post-war anxiety and allowing itself to benefit from the creativity and ambition of its people. Like many Central and South America countries, the vast majority...

### DOING BUSINESS IN BRITAIN

The British are a proud and noble people steeped in the ways of their traditions and loyal to their past. They have a tremendous sense of history and pay homage to it daily in the ways they engage in social interaction and business. To the British the events of today are seen through the eyes of hundreds (perhaps thousands) of years. They have the discipline and culture to reinforce...

### DOING BUSINESS IN ISRAEL

It may be with an overly generous dose of pride that most Israelis, and indeed Jews around the world, look at Israel as a miracle that continues to gratify. Born out of a pioneering nationalist movement, rushed into being by the darkest hour in human history, and forced to endure wars and terror, the people of Israel have had the simultaneous burdens of renewal and survival.

### DOING BUSINESS IN CANADA

Despite what many people – particularly Americans – think, Canada is not a continuance of the United States in any way other than geography. Quite the contrary, as the Canadians are still very much influenced in culture and behavior by the Europeans – primarily the British and the French. This manifests itself in norms and practices that...

### DOING BUSINESS IN ROMANIA

Romanians have always been a resourceful people, even while under the weight of Communism. Well educated, ambitious, and eager to join the ranks of industrial nations, Romania has been on a 10 year path to growth and prosperity. Alongside this effort has been a great deal of opportunity for foreign businesses seeking a foothold in Eastern Europe. As Romanian inclusion into the European Union...



## DULY QUOTED

*"The vision must be followed by the venture. It is not enough to stare up the steps - we must step up the stairs".*

- Vance Havne

## WISH WE SAID IT

*"Success is going from failure to failure without a loss of enthusiasm".*

- Winston Churchill

## THOUGHT OF THE MONTH

### Different Strokes for Different Folks

There is a lot of talk about how small the world has become with new technologies bridging the distances and improving communications. The rise of VoIP makes speaking anywhere in the world affordable, and the Internet brings companies from all over the world into your computer. There are even translation technologies that are beginning to render the differences in language obsolete.

This would all be truly revolutionary if the only elements separating us all were matters of written or verbal communication. Fact is, the issue isn't always the ability to say what we want, but rather the ability to be understood for what we actually meant.

Most often culture and how we each respectively receive and interpret information as it is brought to us is the cause for misunderstandings and the barrier to a genuinely global economy. If we do not learn how we each understand the information we get, we will never really be able to fully communicate. The subtleties of human behavior and the complexities of varying customs make the idea that technology alone can solve thousands of years of embedded differences both arrogant and naïve.

Tudog has worked in many countries and what we have learned is that the global economy rests not on technology, but on human relations. The fact still remains, and we believe always will remain, that people do business with people, and the ability to communicate is not only enhanced by what we say, but how we smile and how open we are to accommodating different customs, especially when we are in their country.

The world becomes smaller and commercial opportunities become available when we approach new places and new kinds of people with respect for their culture and appreciation of their accomplishments. Just because someone does something differently doesn't mean it's right or wrong. Sometimes it's just different.

Like Sly and the Family Stone once sang, different strokes for different folks, so on and so on... And to that we say...shoobee doobee doobee.

amdocs



USAD



## DOING BUSINESS IN GUATEMALA

By Craig R. Frank

There are probably plenty of places in the world that have opportunities as appealing as Guatemala, but few that would be as rewarding. The business environment is booming, as the country is finally coming out of a period of post-war anxiety and allowing itself to benefit from the creativity and ambition of its people. The emerging middle-class is making significant strides in developing new businesses. Unfortunately, like many Central and South America countries, the vast majority of the country's wealth is in the hands of a few families too short sighted to use their wealth to sponsor and encourage a new generation striving to demonstrate their entrepreneurship.

This is a pity, as the country's position in the region, and perhaps the world could be dramatically advanced through the innovations and solid business concepts struggling to find financing. Ironically, the wealthy would benefit the most from offering access to the capital needed to get these projects up and running.

This oversight marks the opportunity for others from abroad to enter the vacuum and provide capital, know-how, and partnership to the emerging businesses of Guatemala. The role of the ruling elite, including to some extent the government, could be pivotal, but even in its absence, the opportunities remain.

Guatemala is a land of tremendous physical beauty. The people are primarily hard working, although in the outer areas relatively uneducated. Their dependence on agriculture has left many of them poor, while the traditions of family and work serve only to perpetuate the poverty as children are sent to the fields instead of the schools.

The recipe for Guatemala's growth is a shift in the economy to service, a movement already being seen in the cities, particularly Guatemala City. The strong telecommunications infrastructure and high proportion of English speakers has transformed Guatemala into one of the emerging call center focal points. Similarly, manufacturing is being promoted, as the average worker is dedicated and easy to train, while costing a fraction of the average U.S. worker.

The future of Guatemala, and the entire region, rests on the success of the efforts of local business executives to forge relationships and partnerships with business people in the United States, Europe and Asia. Equally crucial are the actions of the government to

ease investor apprehensions, reverse perceptions of corruption through decisive action, and encourage the local wealthy class to support local business.

### Understanding Guatemalans

Business in Guatemala begins first and foremost with friendship. If you are unable to establish a warm bond with the people you hope to work with, it is very unlikely they will do any meaningful amount of business with you. They make their business decisions based as much on whether or not they like and trust you, as the worthiness of your proposition.

Being liked is not a particularly daunting challenge. You need only be genuine, honest, generous, and warm. A sense of humor won't hurt either. Add to this an appreciation for their country and people, and maybe you can become trusted enough to do business with.

In many cases the loyalty and trust needed to conduct business is reserved for family. You should not be discouraged by this, although you need to recognize that business promotions and decision making positions are inherited and not earned via merit. This often hurts the prospects of a business deal as the person assigned from the Guatemalan side is the not-as-qualified-as-necessary son of the wealthy business owner you seek to partner with. It is not possible to comment on the lack of skills. The son is there because he provides the owner with the sense of security he needs to be able to proceed with your arrangement. You need to accept it and work with it.

Typically, it is not difficult to gain access to leading business executives. The Guatemalan people are very welcoming and eager to learn of opportunities. If you share with them a possibility that interests them, they will be more than happy to meet with you and explore the option. This should not be taken, however, as intent to act.

The key business driver is price. More than quality or convenience, the cost will influence the buy decision. Also important is your commitment to provide follow-up or service after the purchase is made.

Guatemala is a predominantly Catholic country and the Church has significant influence in how people behave. Even those who are not particularly observant tend to heed the teachings of the Church and follow some code of behavior dictated by the Church.

### Conducting Business with Guatemalans

Guatemalans and Americans are prone to misunderstandings. Not only do we process information differently, but we also communicate differently. Americans take in information objectively and abstractly, while Guatemalans view it subjectively and associatively. Americans are inclined to "read between the lines" while Guatemalans are inclined not to contradict. This often leaves situations where the American walks away believing there is an agreement, while the Guatemalan did not mean to imply consent.

In many cases a Guatemalan will value the subjective feelings he/she has for a specific situation more than the objective facts associated with it. This means that when courting a business deal, it is more effective to appeal on an emotional level and not through a cold, hard business calculation.

Guatemalans don't like to say no. There is no reason for that sort of uncomfortable situation. Rather, they will seek to create a situation of ambiguity that they can later use as proof of their lack of original intent. You may have understood there was an interest in a deal, but unless they actually said it, there is a good chance the interest was never really there.

They also like to engage in the processes of business (exploration, negotiation, etc.) without actually leading to a close. In many ways the appearance of activity and the announcement of action is sufficient without the need to actually take any action.

Things take time in Guatemala. It is not unusual to work a deal for a very extended period of time. They do not have the same sense of time Americans do. The urgency we often bring to situations is not evident to them. Their priorities include business, but do not revolve around business.

Guatemala is a very collectivist culture. There is a relatively low level of individuality and decisions are made in conjunction with others. There is a hesitancy, perhaps even fear, associated with breaking the norm and behaving according to one's own specific wishes.

#### Do's and Don'ts in Guatemala

Guatemalans are sensitive to pressure. It is not advisable to pursue the deal aggressively or with vigor. If they feel they are being placed under pressure, even if this is not your intent, they will decline the deal, even if they wanted to pursue it.

You should be on time when going to a meeting, but do not expect them to be. Time is viewed differently in Guatemala. The set time is a goal to be met if possible, not a commitment. Don't be offended if they are late (or even fail to show up all together). They do not mean it as an affront.

Personal honor is important. Make sure you are honorable and that you do nothing to offend the honor of others. The Guatemalans do not fully appreciate humor that pokes fun at others. They are just as inclined to see it as mean as they are as funny.

It is okay to discuss personal aspects of your life. Remember, Guatemalans measure their interest in doing business with you by judging their sentiments for you personally. The more personable you are, the greater the chance they will embrace the idea of working with you.

Doing business in Guatemala will challenge your commitment to the market. They do not make it easy. Yet if you believe in the potential of the opportunities this emerging country presents, and you have the patience and resources to go through the process of approval and acceptance, the rewards await you.

---

Craig Frank is Tudog's CEO.



## DOING BUSINESS IN BRITAIN

By David Gilad

The British are a proud and noble people steeped in the ways of their traditions and loyal to their past. They have a tremendous sense of history and pay homage to it daily in the ways they engage in social interaction and business. To the British the events of today are seen through the eyes of hundreds (perhaps thousands) of years. They have the discipline and culture to reinforce existing convention.

Along with this commitment to tradition comes a resistance to change. The British do not like when things move ahead so quickly they lose a sense of control or the ability to consider (and sometimes measure) how the change is affecting the way they normally do things. This should not be taken to mean that the British are against change or will resist technology or innovations. It does mean, however, that they will approach these new developments with a caution that others (like the Italians and the Germans for example) would not.

The tight structure of British society translates into a carrying on of some aspects of older times, such as the class system. While the barriers to the lower classes have somewhat broken down, it would not be entirely correct to state that the upper class has been integrated with the newly wealthy and successful. Money is not the sole criteria for status in Britain, and this is important to understand when doing business there.

The British have an ambiguous relationship with Europe. While they don't necessarily consider themselves part of Europe, they do appreciate the potential of the European Union and the economic benefits it can bring.

### Understanding the British

The British are not as complex as some others because they are very straight forward, and to some extent, predictable. This does not mean that they are incapable of innovation or surprise moves or should be underestimated. They will rise to the occasion and do what they need to do to win – and they like to win.

There is a no emotion in the way the British approach business. They are highly analytical and skilled in abstract thinking. They accept only objective facts as the basis

for dialogue and review the facts from their understanding of the circumstances. It is very rare that they let their own opinions or feelings influence the way they view a situation.

Once they have taken a position, it is extremely difficult to move them. They believe they have taken the time to formulate a considered opinion and the effort to counter their conclusion can be arduous.

The British like to feel that they are approaching business from a point of fairness and they are interested in deals that can be demonstrated to benefit both sides (although not necessarily equally). They are savvy enough business executives to understand what motivates a party to comply with conditions and meet promises.

### Conducting Business with the British

The British are exceedingly polite. While they have no problem saying no to a proposition they are not interested in, they may do so in such a subtle way that you will not realize you have been turned down. You may need to state your understanding just to make sure that you heard what they actually said.

There is an established rule for everything and the British are very loyal to their rules. While they will not always let the rule block progress, they will need a good reason to make an exception. The rules are there because they serve a purpose and you will need to show that the purpose is not served under the particular circumstances.

It is very unlikely you will ever see displays of emotion during the negotiating process and even as business moves forward. Regardless of how exciting or tense the situation becomes, your British counterpart will most likely remain stoic.

The British are very time sensitive. They do not appreciate tardiness and will hold repeated delays against you. Similarly, they are also results oriented and will need to see that you do the things you promise to do. Again, if you for whatever reason fail to meet your commitments they will hold this against you, regardless of the validity of your excuses.

When seeking an introduction to a British executive, it is best to try to find a mutual third party to make the introduction. They are not particularly receptive to cold calls.

### Do's and Don'ts in Britain

Make sure you schedule meetings ahead of time and confirm the day prior. The British are not ones to engage in a drop-by or impromptu meeting. If you want them to be able to decide and do business you need to give them time to prepare.

When making a presentation do not try to hard sell or exaggerate your claims. The hard sell will cause them to shut you out immediately, and the exaggerated claims will call doubt to everything else you say.

British humor can be self-deprecating. This is not an invitation for you to express an opinion or agree. They are sensitive to what they see as condescending behavior. Be sure you don't do anything that gives them a sense you see yourself as somehow better than them.

If you do wind up getting together with them after work hours for dinner or drinks do not bring up business unless they do. They most likely see this time as an opportunity to engage in some light socializing and it would be rude if you are all business. The desire to socialize with you does not mean they are interested in discussing religion, politics, or even their personal lives. It is best to keep the conversation to more general topics like sports or entertainment, unless they initiate a more serious subject

Britain is a country with a solid history of business excellence. The British have demonstrated that they can be trusted and will meet all their promises with excellence. The somewhat rigid structure they impose on their business dealings is no different than the rules they elect to live by in their personal lives. You may not always agree or appreciate it, but you have to respect it. It isn't every country that can claim the kind of history Great Britain can.

---

David Gilad serves on Tudog's Board of Directors



## DOING BUSINESS IN ISRAEL

By Ofer Kahane

It may be with an overly generous dose of pride that most Israelis, and indeed Jews around the world, look at Israel as a miracle that continues to gratify. Born out of a pioneering nationalist movement, rushed into being by the darkest hour in human history, and forced to endure wars and terror, the people of Israel have had the simultaneous burdens of renewal and survival.

The people of Israel have had a collective experience unlike probably any other nation. The population is comprised of people from all corners of the globe, with language and cultural differences. Amazingly, the common practices of Judaism and the revival of the Hebrew language have served as the foundations for a semblance of cohesiveness. Clearly there are many social issues that lie under the surface of unity.

One primary unifying element is the Israeli Defense Forces and the practice of universal military service. In Israel the army has become a key force in the development of a cohesive society, serving to integrate immigrants into the general society. From a business perspective, the army has had tremendous impact on the emphasis on innovation that Israel has become respected for worldwide. The immediate needs of battle force soldiers to improvise solutions. Well trained as soldiers, they often become excellent business executives, who understand both how to identify opportunities and how to exploit an opponent's weaknesses.

Another element of the complex Israeli landscape is the ongoing conflict with the Palestinians in particular, and the majority of the Arab world to a lesser degree. The remaining threat of terrorism and the elusive nature of an agreement have led Israeli business executives to be perhaps more aggressive and less structured than their counterparts in other countries. Sometimes this can lead to a brilliant business move, but just as often it causes delays and frustrations that outsiders have a hard time understanding.

The need to emphasize survival in the planning and execution of everyday life has led the country to place special importance on economic development. The development of technologies for military purposes is then transformed into civilian applications that drive forward the technology of a specific sector. Similarly, those engineers trained in innovative technology development, and the pervasive environment of innovation and creative thinking leads to the development of additional technologies as Israelis are

taught to look for new and better ways to accomplish what already can be done, and, perhaps even more critically, ways to do things that need to be done but cannot yet be accomplished.

### Understanding Israelis

One of the key factors that demands understanding when attempting to plan success with an Israeli business is the central role the security situation plays in the way people think, plan for the future, and behave. Paradoxically, most Israelis are simultaneously optimistic and pessimistic. While they see no end in sight, they also know the fighting can't go on forever. The result is an ambivalence toward short term and long term planning.

Similarly, as discussed above, the military plays a central role in how people think. A news centric society, Israelis still stop on the hour to hear if anything new has happened. This began when people needed to know if they were being called for military service. So too, the current system of annual reserve service means that many Israelis serve between 20 and 45 days annually in the army. In addition to the influence this has on their world view, it also serves to disrupt the flow of business.

Some people are also surprised by how informal Israeli society is and how casually people treat one another. The sense of being involved together in a greater mission has caused a breakdown in the formalities often seen in other societies. For example, Israeli children call their teachers by their first names, and the idea of challenging a comment made by a superior is accepted (and in some circumstances encouraged).

This informality has led to a vagueness of boundaries that sometimes leads outsiders to see Israelis as abrasive and rude. Many times an Israeli, for example, may not say "excuse me" when he/she bumps into you, but this is only because it is assumed that you understand it was not intentional. So too is the lack of boundaries evident in the way Israelis explore new acquaintances. The idea of asking someone's salary or how much their home/car/clothing costs is not taboo in Israel. Westerners in particular find this evasive and bizarre.

Israelis process information analytically and abstractly and digest the information in accordance with their perception of their interests and goals. They are relatively free thinkers and do not adhere to any set of universal rules of business. They tend to judge circumstances on its merits and potential merits alone.

### Conducting Business with Israelis

Israelis can be very slow in making a decision or placing an order, or conversely can decide they need something immediately. Sometimes the process is very slow and then suddenly they want something immediately. In any case, they will work in accordance with their own timetable and you will need to adjust yours to suit theirs.

A response in the affirmative is usually a commitment to proceed, but not always. Israelis are not shy about reopening previously concluded negotiations if they believe they cut a bad deal or the circumstances upon which they made their initial decision have changed.

Israelis are hard negotiators. They can adopt a highly confrontational style in order to intimidate or an emotional style in order to offset their opponent's balance. They are typically not looking for a win-win situation, although more and more they are becoming aware that they need to leave something on the table for the other side to enjoy. In negotiating with Israelis it is best to use reason, as they have a harder time debating the validity of a strong idea.

There is a strong emphasis on results and success. Israelis will respect accomplishments – both past and present. They are often willing to compromise against results and like to build deals on models that reward for success.

### Do's and Don'ts in Israel

Keep in mind that Israelis are somewhat informal, even in a business context. Do not be surprised if they answer their cell phones during a meeting or have their assistants coming in and out of the meeting room. These are not meant to offend, it is just business as usual.

Israel is a highly social environment and people bond very quickly. This can make some people who are a bit reserved uncomfortable. There is no intentional effort to make you uncomfortable. If you can, let yourself go a bit and enjoy the genuine warmth.

You can feel free to ask questions about politics, the conflict, and even personal matters. In most cases they will answer honestly. Don't be surprised if a debate among the Israelis erupts around you, and don't be uncomfortable with it. Debating is part of socializing.

Israel is an exciting, dynamic, frustrating, engaging place to do business. The people are generally smart and informed, friendly and ambitious. The quirks evident in the offbeat way they approach business and in their lack of respect of convention, can easily be neutralized by the potential their ideas and enthusiasm bring to a business proposition. Doing business in Israel can be a rewarding experience beyond the riches obtained. The energy of the country is contagious, and if you allow it, exhilarating.

---

Ofer Kahane works with Tudog in Israel.



## DOING BUSINESS IN CANADA

---

By Ilan Sarid

Despite what many people – particularly Americans – think, Canada is not a continuance of the United States in any way other than geography. Quite the contrary, as the Canadians are still very much influenced in culture and behavior by the Europeans – primarily the British and the French. This manifests itself in norms and practices that are substantially different than the way Americans behave. So too, the Canadian view of business tends to differ a bit. Entering the Canadian market thinking you can duplicate or extend out your efforts in the United States would not be entirely correct.

This is not to suggest that the United States has not exerted influence over the Canadian people and its business practices. Certainly American culture is present and powerful, and American businesses are visible and successful. But Canada is more than just a separate country, it is a separate people. And success in Canada requires an acknowledgment of this central fact.

### Understanding Canadians

In addition to the typical error of assuming that Canadians are just Americans with a higher tolerance for cold weather, many people also view Canada with a single ethnic identity. This minimizes some complex social and business settings, particularly, but not limited to discussions on Quebec. Canada has many ethnic groups throughout the country and should be approached as a setting for diverse cultures.

The most significant difference is between Quebec and the remainder of the country. With a French majority and a strong affiliation to French culture, it would be fair to say that Quebec behaves a bit differently than the remainder of the country, where even diverse cultures tend to behave in similar ways. In Quebec, the French flavor is evident in the somewhat less formal way people interact.

### Conducting Business with Canadians

Business is relatively easy to conduct in Canada. Canadian businesses are eager to do business. They are serious and skilled negotiators who will maximize their position, but typically seek deals that allow all sides to benefit. In general they are open to any reasonable proposal.

When approaching a Canadian business with a prospective business venture it is best to submit objective information that comes with third party validation. While they are interested in your opinion and want to see you believe in what you're proposing, they will rarely accept your analysis on face value. By presenting objective opinions, you will increase your credibility and hasten the process. Don't expect a Canadian to place feelings over facts when evaluating a deal, and while they enter each negotiation looking for the proper formula that will allow an agreement to go forward, they are not in the least resistant to the idea of saying no when a deal is not right.

There is an excellent chance that the individual you are negotiating with has the authority to make the go-no go decision. In many cases he/she may bring it to a final internal decision vote, but chances are if you earn his/her support the deal will be approved. Keep in mind that this process may take a bit longer than you are used to, as the pace of business may be a bit slower in Canada than it is in the United States.

### Do's and Don'ts in Canada

In most instances the use of common sense will prevent any major uncomfortable moments, and certainly avoid a mistake that can cost a deal. The Canadians in general are aware of American culture and are generally inclined not to be offended or taken aback by somewhat more aggressive behavior than they themselves would display.

Nonetheless, the adherence to behavior more in tune with the Canadian disposition could lead to a closer relationship and a more conducive business environment.

Therefore, it is best, when in Canada, not to discuss personal matters with or ask personal questions of your hosts. In general, Canadians are not interested in becoming immediate buddies and are uncomfortable with personal information being shared. Same too for discussing politics, as most Canadians prefer to avoid political issues as a topic for small talk. Remember, people are generally more formal in Canada than they are in the United States.

When discussing business in Canada be certain to avoid making exaggerated claims about your product/service and your company. Canadians will view this as over reaching and you will lose some of your credibility. This is true too of promises you make. If they do not believe you can meet your promise they will be inclined to discount it significantly, perhaps offsetting the value of the deal and placing it in jeopardy.

English and French are the languages of Canada and your marketing materials should be in both. It is okay if you do not speak French when doing business in Quebec, although it is clearly an advantage if you, or someone in your party, does.

Canada is an attractive, active, business friendly market interested in doing business with international companies in Canada and abroad. Doing business in Canada is as simple as bringing the right deal to the right people at the right time. Do that, and act in accordance with intelligent business rules, and you will get your deal done.

---

Ilan Sarid specializes in sales. He resides in Montreal, Canada



## DOING BUSINESS IN ROMANIA

By David Feingersch

Romanians have always been a resourceful people, even while under the weight of Communism. Well educated, ambitious, and eager to join the ranks of industrial nations, Romania has been on a 10 year path to growth and prosperity. Alongside this effort has been a great deal of opportunity for foreign businesses seeking a foothold in Eastern Europe. As Romanian inclusion into the European Union approaches, the quantity and quality of these opportunities is expected to substantially increase.

Romania has allied itself with the United States politically, including inviting the U.S. to place military bases inside its borders. Economically the country is entwined with Western Europe, doing a great deal of business with Italy, France and others.

Interestingly, while the country has politically and economically aligned itself with the West, it is still in many ways an Eastern European country with processes and bureaucracies reminiscent of the former Soviet bloc. While these can try the patience, they rarely get in the way of getting a deal done.

### Understanding Romanians

Romanians view themselves as the French of Eastern Europe, with a slight sense of superiority and pride in their cultural and business acumen. Doubters of this view will be converted upon visiting the replica of the Arc de Triumph that stands at a central location in the capital city Bucharest.

This affiliation to the French also influences certain business sectors, for example, the Romanians are known as the “tailors of Western Europe” because of the density of textile companies manufacturing for French (and Italian) designers.

Romanian is a language close to Italian and there is historic evidence to suggest that the Romanians are decedents of the ancient Romans. Someone familiar with European habits would see a greater resemblance between the Romanians and Italians, rather than to the French. This includes being somewhat spontaneous in their decision making, and a willingness to take risks, without always evaluating the potential downside or its degree of certainty.

Paradoxically, despite the inclination toward spontaneity, the Romanians are extremely tough negotiators who are capable of placing great demand (and therefore great stress)

on the negotiating process. The Western concept of win-win is not their primary objective, and they will be satisfied with a deal that leaves the other party with no motivation or purpose to implement.

Romanians are willing to acknowledge the legitimacy of third party information, so long as it does not contradict any long held or strong beliefs. They prefer facts that are objective, but process them through feelings that are, by definition, subjective. They are excellent at comprehending complex concepts and are able to maintain an analytical dialogue. There are, however, extreme variations in sophistication, based both on educational levels and whether their position was obtained via merit or is somehow a remnant of the former Communist party patronage system.

### Conducting Business with Romanians

Most Romanians are not proficient enough in English to conduct negotiations. It is advisable to have an interpreter with you so that there is complete understanding of all positions being expressed and discussed.

The spontaneity of decision making notwithstanding, Romanians are very slow to establish business relationships and act on business opportunities. Some of this is due to very poor communication habits that lead to emails and telephone calls going unanswered. An additional reason is yet another holdover from the Communist era, when relationships were made carefully so as not to set off any displeasure on the part of the ruling elite.

Perhaps the key to communicating with Romanians is understanding that they very rarely will offer a direct response to a question – particularly if they are uncomfortable with their answer (as in saying no to a request or solicitation). Rather, they will tell a somewhat long and detailed story, the moral of which is most likely the answer to your question. It is up to you to understand their meaning.

### Do's and Don'ts in Romania

In many ways Romania is still a traumatized nation and it has not psychologically or economically completely recovered from the incompetence and financial backwardness of the Communist era. It is therefore important that you do not bring up economic weaknesses or social problems (such as beggars and pickpockets). It is also important that you not discuss politics or religion, as both topic, once forbidden, make people extremely uncomfortable.

Romania is an emerging market that has the potential to be a leading market in Eastern Europe. The Romanians are an energetic, resourceful, talented people interested in doing business, even if at times they get in their own way. The patience required will most likely be rewarded in the attractive returns on investment well positioned investments will be able to extract.

---

David Feingersch works with Tudog in Florida.