



Spain

This month, our attention turns to Spain in southwestern Europe, bordering France, Portugal, Andorra, Gibraltar and Morocco (Ceuta and Melilla). The country has 48 million people and the official language is Castilian Spanish. There are also Catalan-, Basque- and Galician- speaking minorities in the country.

Spain had a powerful world empire during the 16th and 17th centuries. Subsequent failure to embrace the industrial revolutions caused Spain to fall behind in economic and political power. Spain remained neutral in WW2 but suffered through a devastating civil war (1936-1939).

A transition to democracy following the death of Dictator Francisco Franco in 1975 and rapid economic modernisation gave Spain a dynamic economy. However, more recently the government has focused on measures to reverse a severe economic recession that began in mid-2008. In January it was reported that activity in Spain's manufacturing sector had grown at the fastest pace in the past 18 months. The government expects growth to slow to 2.5 percent this year, as easy borrowing terms and continued hiring sustain household spending.

In business, Spaniards are welcoming and visitors will be asked about their impressions of the country. Speak warmly of Spanish culture, history, cuisine, sporting achievements, writers, historical sites or any regional differences you have noticed. Spaniards are also self-conscious and whilst they have a good sense of humour, they are a proud people and don't react well to irony, mockery or teasing. Also avoid discussing money.

The new generation of managers are less hierarchical and more team-oriented than the 'old guard'. They are able to create casual yet professional relationships. Spanish employees look to foreign managers to be open-minded and responsive to input as they will want you to understand the local situation and preferred ways of doing things in Spain.

Many organisations have now adopted flatter organisational structures and have gone through significant change. Decision-making is not necessarily hierarchical but more disseminated and conducted in a more consultative way. That said, it is expected that the person in charge will make decisions. There is concern generally about risk and change - particularly when a decision has already been made or in ambiguous situations. In a recent survey 75% of Spanish young people expressed their desire to work in the civil service (i.e. perceived as a job for life, fewer concerns about the future). In contrast, in the USA only 17% of young people would like it.

Communication in Spain is rather indirect. Spaniards prefer to be careful about what they say and how they say it. People may not get straight to the point when trying to get a message across. A co-worker who has an issue with you is more likely to discuss the issue with other co-workers and attempt to gain their support. Nevertheless, they are usually grateful if you are direct and raise the issue in a non-conflict manner. Confronting the person in a way that demonstrates mutual self-respect may often be greeted by a denial that any issue exists, but persistence will result in the issue being discussed. Confront people privately and in confidence.

Finally, Spaniards value long-term relationships. While business proposals should demonstrate the benefits to both parties, neither side should take attempts to win competitive advantages negatively. It is important to remain non-confrontational throughout a negotiating exchange. Ultimately, Spaniards prefer a win-win approach. You will earn your counterparts' respect by maintaining a positive, persistent attitude.