

## WARNING SIGNS

In negotiation, pay careful attention to the attitudes and behaviour of potential partners. If there is a sense that something is not quite right, pay attention. Watch out for these warning signs; you may want to investigate the possibilities for obtaining cross-cultural training and assistance. They may also want to consult with others who have had experience doing business in Mexico in their sector.

The first step for the newcomer is to understand and appreciate the cultural differences between Mexico and Canada. Mexican culture is distinctive; being aware of Mexican values will help cement a solid and harmonious business relationship.

Mexicans are inclined to be more formal than their Canadian and American counterparts. In meeting with Mexican business people, bring business cards and be punctual, even if those with whom you are meeting are late. At the beginning and the end of a meeting, they will take the time to shake hands with all those in attendance. They will make small talk about current events or the interests of their Canadian guests. For Mexicans, personal relationships are very important, and developing them is the key to success. Mexicans do not like doing business over the telephone. They prefer to meet in person as a way of developing a closer and more trusting relationship. The time spent developing such relationships will be repaid well.

The family is predominant in Mexican life and the family hierarchy is also the model for business. The notion of delegated responsibility, therefore, is not always readily accepted by Mexicans. Everyone is more comfortable when the person in charge makes the decisions. Mexican subordinates may be reluctant to go beyond instructions without specific authorization. They are more likely to make constant reference back to the manager.

Honour is important. The sensitive business person deals first with the individual and then with the issue. For this reason, an employee should never be corrected in front of peers. This could cause personal damage which may be impossible to repair. Privacy and delicacy are much appreciated in such situations.

Canadian business people with extensive experience in Mexico have commented on the reluctance of Mexicans to say no. It can take a while for the Canadian newcomer to understand how to interpret the "yes" which has been given in response to a question. Saying that one does not have the answer is difficult for Mexicans to do: they tend to be very polite and solicitous at all times. It is better to provide no answer at all than to deliver bad news. Sensitivity is essential and there is no substitute for experience.

Competent Spanish speakers who are well-acquainted with the interests of the Canadian firm are vital to any negotiations. This remains true even when the Mexican officials and company executives on the other side are proficient in English. Even if expert translation is available, language can still be a barrier to doing business in Mexico. It is not so much a question of rendering words exactly but of capturing nuances and interpreting gestures. Canadians doing business in Mexico should be careful to go beyond simple words to understand the spirit in which the transaction is being conducted.

## GETTING HELP

Even when a firm knows exactly what kind of a partner it wants, it may not know where to look. A good place to start is to examine any existing business contacts in Mexico, especially in the same industry. Basing a partnership on an existing business relationship means that you already know how well your companies work together: you have personal ties and your companies are familiar with each other's skills, resources, corporate culture and values.

If you have no close business contacts in Mexico, you may look for leads from suppliers, customers, industry associations, banks, other financial institutions, auditors, government officials and regulators. Remember too, that the trade commissioners at the Canadian Embassy in Mexico City and the consulates in Monterrey and Guadalajara can help you to identify candidates and arrange for introductions. You may also want professional help from financial advisers, accountants, lawyers, consultants or market researchers who can fill gaps in your