Doing Business in the Dominican Republic



In business, although Dominicans are warm and hospitable, they can be conservative and traditional.

While the modern Dominican businessman can be progressive, there is nevertheless an innate conservatism to changing the way things are done.

If you were to think about the most important cultural attributes that you will see operating in business in the Dominican Republic, they would be:

- Hierarchical structure
- Formal style

- Group interests
- Interpersonal relationships

There is a small group of business elite who influence and control business environment. This small circle can be closed to outsiders, making it imperative that you develop a broad network of contacts. Dominicans maintain an intricate web of family and friends to call upon for assistance.

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Building Relationships

Since the Dominican Republic is a relationship-driven culture, it is important to be introduced by a third party. The Dominican Embassy in your country, your embassy in the Dominican Republic, an international bank, an accounting firm, or the Chamber of Commerce can often recommend a person to fulfill this vital role.

Networking is an important part of business since it broadens your base of contacts. This is a country where knowing the right person is often more important than your skills. Interpersonal relationships, including loyalty to family and friends, are the glue that binds the country together. Doing favors and collecting favors owed is a highly developed art form.

Trust ("confianza") is crucial to developing relationships. The key is to do it the Dominican way. Therefore, you should spend time building the relationship: in the office, over extended lunches, dinners, and outside the office at social outings. They prefer face-to-face meetings rather than doing business by telephone or in writing, which are seen as too impersonal. Give them the opportunity to know you before attempting to conduct business.

It is important that you treat business colleagues with respect and not do anything to embarrass them. The Dominican business community is relatively small and your behavior will quickly become public knowledge.

Dominicans will judge you on where you stay, so choose a first class international hotel. Dress conservatively but well.

Although it is not necessary to speak Spanish, attempting to do so is greatly appreciated and marks you as an individual who is interested in developing a long term relationship.

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Business Meetings

Business appointments are required and can often be schedules on short notice; however, it is best to make them 2 to 3 weeks in advance by telephone, email or fax. Confirm meetings by fax or email, in Spanish, at least one week prior to the meeting. It is often difficult to schedule meetings during the two weeks before and after Christmas and Easter.

Arrive on time for a meeting. Dominicans strive for punctuality, but they do not always achieve their goal. Nonetheless, they appreciate it when visitors arrive on time.

- The first meeting is often quite formal.
- Personal relationships are important to Dominicans, they prefer to deal with those they trust;
 therefore they spend a great deal of time developing the relationship.
- Small talk helps establish a rapport. Do not immediately begin discussing business.
- Politeness is very important. Do not try to rush through a business meeting, as it will offend your hosts.
- Have all written material available in both English and Spanish.
- Not all businesspeople speak English, so it is a good idea to check if you should hire an interpreter.
- Presentations should be well thought-out, thorough, and backed up with charts and figures.
- Meetings are often interrupted and several people may speak at the same time.

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Communication Styles

Senior positions in business are predominately held by the upper class; therefore, it is important that you pay attention to the hierarchy and show appropriate deference and respect to those in position of authority.

At the outset, communication is formal and adheres to rigid rules. In entrepreneurial companies or those that are familiar with dealing with international companies, communication may appear informal, although there is always an undercurrent of formality. People are addressed by their titles and surnames, the formal world for you ("usted") rather than the informal "tú" is used, and general business demeanor is one of gracious hospitality. Once you have met a Dominican, it is polite to acknowledge them at any future informal, unplanned meeting such as in the corridor, at a shop, or in a restaurant.

Dominicans can be direct communicators and are not afraid to say what they feel. At the same time, they value tact and sensitivity and dislike overt aggression.

Dominicans stand very close when conversing. A man may touch the arm, shoulder or jacket of another man while speaking. Do not back away or you will be seen as rejecting the person! Dominicans are demonstrative speakers who often touch the person with whom they are speaking. Gestures are an important part of their communication. However, be careful when using your hands in conversation. Gestures are context sensitive and do not always translate well between countries.

Dominican Spanish, often called Dominican, is spoken rapidly and uses many slang words and expressions not found in others Latin country. This may initially make it difficult to understand what is said. Patience is important.

Written communication should initially be in Spanish. If you receive a response in English, you may switch to English, otherwise, continue to use Spanish. When addressing a letter, use the appropriate honorific and academic or professional title and the person's full name. It is polite to inquire about a person's health and family before getting down to the business purpose of your communication. E-mail is becoming more widespread, especially among younger workers. However, the communication style remains more formal than in many other countries. Do not use slang or abbreviations.

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Management style with employees and supervisors

Dominican business is hierarchical and managers tend to be autocratic. Managers tell subordinates what they want done. They are also paternalistic and will assist their subordinates if they have personal problems. Employees follow manager's instructions without comment, as it would be rude to challenge someone of a higher status.

Manager's interpersonal skills and ability to maintain cordial relationships with their subordinates can be as important as their technical knowledge. Employees may be praised for their individual achievements or accomplishments, but this is generally done in private. Likewise, correcting or admonishing employees should be done in private.

Subordinates will often work together to solve a problem before it comes to the attention of their manager. Shielding the manager from bad news allows subordinates to look good, which is important.

Business Protocol

Dominicans are generally formal in their business dealing. They respect status and hierarchy. In newer, more entrepreneurial companies, there may be fewer hard and fast rules. When in doubt, it is best to err on the side of being overly conservative.

Expatriate women may find themselves patronized by Dominican businessmen. It is important for businesswomen to appear polished and professional at all times. Dress conservatively and demonstrate that you are serious about business.

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Business Dress

- Appropriate business attire is expected.
- Men should wear good quality, conservative, dark colored business suits.
- Women should wear stylish suits or dresses. They should dress elegantly, including makeup and jewelry
- Lightweight clothing of natural fibers is best in the heat.

Greetings

- Shake hands at the start and end of business meetings.
- Handshakes should be firm.
- Maintain direct eye contact during greeting.
- Wait for a woman to extend her hand.
- Use the appropriate greeting for the time of day.
- The most common greeting is "¿Cómo está, usted?"

Titles

- Professional or academic titles with the surname are used in business. Common titles are "Doctor" (medical doctor or Ph.D.), "Ingeniero" (engineer), "Arquitecto" (architect), and "Abogado" (lawyer). Use "Licenciado" for any other university degree.
- If someone does not have a title, the honorific Señor or Señora is used with the surname.
- The honorific title with the professional or academic title may be used without the surname.
- Always wait until invited before moving to a first-name basis.

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Business cards

- Business cards are exchanged during introductions without formal ritual.
- Have one side of your business card translated into Spanish.
- Present your business card with the Spanish side facing the recipient.
- Treat business cards with respect. When you receive a card, place it in a business card case to show that you will treat the person with respect.

Business Gifts

- Business gifts are not expected until you have established a relationship.
- Gifts should be of high quality, but not too expensive, or it may be seen as a bribe.
- A gift of appreciation after your business is concluded demonstrates good manners.
- Gifts should be presented at lunch or a social occasion rather than in the office.
- If a businessman gives a gift to a female, he should say it is from his wife, mother, sister, or some other female relative.
- A small gift for the secretary is always appreciated.
- Business women should avoid giving gifts to male colleagues, or their actions may be interpreted as an overture.
- Do not give knives or letter openers as they symbolize the desire to sever a relationship.
- If you will be returning for another visit, it is a god idea to ask your colleagues if there is anything you could bring them from your home country.

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Business Negotiating and Decision Making



- Expect small talk before getting down to business since Dominicans want to get to know people before doing business.
- It will take several meetings to come to an agreement. Negotiation and time for consultation are important.
- Relationships are viewed as more important than business documents.
- Negotiations and decisions take a long time.
- Hierarchy is important, although not always apparent. Defer to the person with the most authority, as they are most likely the decision maker.
- There are often long bureaucratic delays in reaching decisions. Be patient. If you try to rush process, you will be thought both rude <and aggressive.
- Decisions are often based upon the personal preference of the decision maker, which is why spending time to develop trust and personal relations is crucial.
- Avoid high-pressure sales tactics. They are seen as confrontational.
- Dominicans negotiate with people, not companies.
- Do not change your team during negotiations, or you may have to start the process over.
- Maintain eye contact when speaking.

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Business Entertaining

- Business entertaining is used to develop the personal relation that then facilitates future business dealings.
- Business lunches are common and business breakfasts are becoming more so.
- Business dinners are usually social rather than business occasions.
- Avoid discussing business unless Dominican business associate raises the subject.
- It is appropriate for you to invite your business associates to lunch if your meeting is in the morning. If so, business may continue to be discussed over the meal.
- To avoid haggling over the bill, if you want to host a meal, make payment arrangements with the restaurants in advance.
- Businesswomen should never try to pay for Dominican male colleagues. If you want to host a meal, arrange for a male colleague to pay for the bill for you or host the meal at your hotel.
- If a businesswoman wants to entertain a Dominican male colleague, she should invite his spouse so that her invitation is not viewed as an overture.
- Spouses may be invited to business dinners. If so, business will not be discussed.

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