

COUNTRY: LITHUANIA

FACTS:

Area: 65.300 km²

Population: 2.794.329

Government: Republic

Language: Lithuanian

Religion: Christianity

Currency: Euro (EUR)

Time difference from CET: +1

Climate: Relatively mild, between maritime and continental

Capital: Vilnius

National Days: The Lithuanian State Reestablishment Day (16 February); the Statehood Day (6 July)

TIME:

HOLIDAYS AND VACATION:

Usually, there are 10-13 public holidays (which come with a day off) each year. It combines not only Easter, Christmas, New Year, but also the Day of Restitution of Independence of Lithuania, St. Johns Day, Labour Day, Assumption of Mary, All Saints' Day.

OFFICE HOURS:

A typical working week is 8 hours a day, 5 days a week starting between 8 and 9 am (most public entities open and 8 whereas many businesses work from 9am). Friday is often a shorter work day, especially in the public sector, so the day might end around 4 pm.

Banks generally open at 8am and close early, while shops are open from 10am until 7-10pm from Monday to Friday. Daily lunch breaks are usually short (30 to 60 minutes) and most people take their lunch at noon.

MANNERS AND CUSTOMS:

COURTESY:

The custom in Lithuania is a firm handshake. Close friends and family may give each other light hugs or exchange kisses on the cheek. However, foreigners should wait for the Lithuanian partners to define when your acquaintance is so close.

Any topic of discussion is good to start a conversation with. You can talk about family, work, hobbies and sports. Lithuanians are fond of basketball and their national team is among the best in the world.

People are referred to by their title and surname. Colleagues and supervisors are usually referred to by their first name with *Ponas* (Mr), *Panele* (Ms) or *Ponia* (Mrs) or by title: Doctor, Professor, Director, Principle etc. and sometimes including last names. It is important not to address someone by their first name until invited to do so.

Lithuanians tend to value each other's time and punctuality is encouraged.

DRESS:

In business, conservative/classical clothing is common. Men tend to wear a dark suit with a tie, while women might wear a trouser suit, or jacket and skirt. For business meetings, choosing a dark suit to wear is always appropriate for men and women should also wear a suit or something elegant. Lithuanians expect their foreign business associates to be well dressed and business attire is appropriate for almost all formal occasions.

However, many startups choose a very casual attire, especially in the ICT area.

BODY LANGUAGE:

Personal space is important to Lithuanians. An arms' length is the norm, although this might be less with family and close friends. Lithuanians are generally very affectionate with their family, friends and colleagues, while maintaining a good degree of respect. Physical contact should be avoided in business meetings.

NEGOTIATION:

BUSINESS MEETING:

Lithuanians are usually conservative in their manners and the way they communicate; they are direct and say what they mean politely. Lithuanians are warm people, although they might not give this impression at first. When they get well acquainted with somebody, they are willing to share more personal information. In general, Lithuanians are very reserved and not emotive talkers. They do not say much and do not like people who talk too much. But these characteristics are more common for average people, it is worth to consider, that those seeking for business opportunities or doing business, are eager to collaborate and communicate. So, when you are in discussion with them, be concise and get straight to the point. Lithuanians obviously try not to offend at the first meeting, but they are still going to say exactly what they think and will expect the same from their partners.

NEGOTIATION SKILLS:

Age and educational background often form the basis for corporate hierarchy so when negotiating, it is advisable to send delegates of a similar status to those of your Lithuanian colleagues, both in age and professional qualifications. More junior members of a team should not address a senior-ranking Lithuanian businessperson directly as it is seen as a breach of etiquette.

Business negotiations in Lithuania adopt a reserved and contemplative approach to settling deals. Extended periods of silence are not uncommon and are an essential part of negotiating so you should try not to fill the silences with unnecessary talk and avoid pressing your Lithuanian counterparts for final decisions.

INVISIBLE CODES:

Although they are industrious and hardworking, most Lithuanians are very modest. People who brag are deemed arrogant. Again, those doing business are eager to socialize and make relations.

When doing business in Lithuania, it is important to remember the importance of relationships. Building individual relationships is essential to the success of business objectives, especially when business will be conducted over a long period of time.

Eye contact is important to Lithuanians. They consider it as a sign of dishonesty if a person refuses to, or is reluctant to make contact.

ETHICS:

You should dedicate time and effort in fostering relationships through informal meetings and continuing communication.

Lithuanians prefer to have all agreements on paper, signed and sealed. Verbal agreements are good, but not legally binding. All agreements, deadlines and procedures are written up in both English and Lithuanian and signed by both sides. However, Lithuanians who are doing business and seek for foreign partnership, are fluent in English and usually provide the documents in English.

COMMUNICATION:

It is customary to start business meetings in Lithuania with some introductory small talk. This allows you to become more acquainted with your Lithuanian counterparts and establish an initial business rapport. Conversational topics may cover a wide range of issues including public life, family and your work experience.

GIFTS:

Lithuanians prefer to meet in offices or cafes, restaurants in order to negotiate business issues. It may happen rarely, but if you are invited to a Lithuanian home, a small gift such as a bottle of wine or flowers

for your host is generally expected. Pay special attention when giving flowers – ensure that there are an odd number of flowers as even numbers signify someone's passing. Hosts are generous and go out of their way to ensure their guests' comfort. Do not give chrysanthemums – they are used in funerals. Do not give white flowers – they are reserved for weddings. Gifts are generally opened when received.

REPRESENTATION:

AT A RESTAURANT:

Representation is mostly done in a restaurant and can be luxurious restaurant or the upgraded local food restaurant. If you have agreed to share the bill, you will share the cost no matter what each one consumed! It is very unusual and extremely inappropriate to get drunk at a business dinner.

IN THE HOME:

Hosts are generous and go out of their way to ensure their guests' comfort. If you are invited over to someone's home, you will be served. You are not expected to help clean up after dinner although it would be considered as a nice gesture to ask.

OTHER:

CHALLENGES:

It is essential to do business homework (it means market research, travel details, analysis of the visited companies). Your business could run into bureaucratic problems with the permits and paperwork needed and public officials will often stick to the rules and procedures and will not be flexible or go out of their way to help your business.

WHAT IS THE WORST THAT CAN HAPPEN:

Can lead to wrong decisions and wrong impression You would lose time and money in doing admin work that would be rather spent on business development.

WHEN IT WORKS WELL - WHAT HAS TO BE IN PLACE:

Ideally, it is convenient to contact local representatives or a local law firm who know business-related requirements well and will be able to prepare the documents properly. "Verslo žinios" newspaper (considered to be one and only newspaper and online news portal vz.lt which specializes in business related news coverage) could also be helpful – it publishes business environment updates, forecasts and changes.

INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS:

The main challenge goes to business related procedures, time frames. Applicant have to be patient and persistent (be pro-active). Also, it is very important to search for the most relevant and up to date information.

WHAT MAKES THE INFORMATION AND/OR KNOWLEDGE AND/OR SKILLS IMPORTANT:

You need it to ensure your business in on track and in not running into any bureaucratic problems. Being persistent will always help with the authorities and will make sure your case is dealt with in a timely manner. In some situations, having a trustworthy Lithuanian partner will save you on notary costs when approving translations to the local language.

SITUATION - BEHAVIOUR - RESULT:

If you do not adhere to the rules and procedures, you need to know how to address the situation (people with the right skills and knowledge) – you need to be assertive, need to know the legal framework and requirements and proactively make sure your business is adhering to those rules – this behaviour will make sure do what you need to run a business.