

THE IMPACT OF THE SOCIO-CULTURAL CONTEXT ON COMMUNICATION WITHIN INTERNATIONAL NEGOTIATIONS

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Abstract:

As the negotiation process is manifested by means of a communication process, the business negotiation belongs to a specific type of communication, namely business communication. To bring into question the business communication, more specific the communication process as it is manifested in the context of international negotiations, the analysis of its specific characteristics is an attractive and interesting endeavour, as it allows for a synthesis of the views expressed by researchers over time on this issue. Thus, in this article there are considered aspects of the negotiation process related to the intercultural communication, specific to international negotiations, the specific context of negotiation with respect to context levels and variables, and also the impact of the global context on communication within the negotiation process.

Keywords: *international negotiations, socio-cultural context, communication.*

Negotiation is a specialized communication which requires talent, learning, experience. "The negotiation is the form of communication that involves a communicative, dynamic, adjusting process, by means of which an agreement is established in conflicts of interests cases involving two or more parties animated by different reasons and with their own goals, parties that mediate their stands to reach a mutually satisfactory settlement."¹ Thus, of all forms of communication, the negotiation is the only one that recognizes *a priori* the pursuit of an interest. To be anything other than selfish, the actions covered by negotiation must admit from the beginning that it is more than normal for partners to aim the same thing, but from their point of view.

In comparison with negotiations taking place in other fields, international commercial negotiation has a series of specific characteristics regarding content and drill, as well as tactics and strategies. The cultural universe is quite

diversified and the cultural differences condition the fundamental values held by business people; thus, each person brings to the negotiations table things they are not probably aware about, although these things have a deeply rooted influence on them. International negotiations cross not only visible but also invisible borders-cultural ones; the culture profoundly influences the way people think, communicate and act, the type of decisions they make and how they reach them. Cultural differences between the negotiation partners can thus create barriers that make the negotiation process more difficult or even block it.

The global context of the negotiation includes both social, cultural, political conditions and also spatial, climaterical, temporal conditions, not to be neglected in the negotiating process. All these conditions and each of them in part influence in a smaller or greater extent the act of communication. Referring to the international negotiation process, we notice an increase in the degree to which communication is determined by the global context involving issues related to differences between different cultural systems.

Many studies of social psychology have demonstrated a strong influence of socio-cultural factors on perception, thinking and emotional behavior of individuals. For an efficient communication in the negotiation process, the individuals' reactions, which are in accordance with the cultures from which they come from, must be known and interpreted properly. The most obvious example in this respect is the perception of time, which varies from one culture to another and therefore from one society to another. Thus, for example, North Americans, who operate according to a very precise program,

appreciate the promptness and hate time wasting, while in South America or in the Orient, where actions take place at a slower pace, people are not so keen on time saving, thing that disturbs the North Americans in the negotiation process. Similarly, a negative social impact can be seen as well in the failure to obey some rules existing in the minds of individuals belonging to certain cultures and that may create a totally unfavorable framework for the development of effective communication in the context of negotiation. Thus, different cultures grant different degrees of importance to aspects regarding the credibility of the partner. For instance, credibility due to good faith is important for cultures who value relationships, but cultures which value obvious facts will give credibility to the expert. In other cultures the title and rank, the hierarchical position, age or gender are important in establishing the credibility of the negotiating partner. For example, the Japanese do not like to negotiate with young people. They consider one must have worked for 15-20 years for a company to be assigned with the responsibility of a negotiation. They find it hard to believe that a young employee can have decision power and consider that dealing with him would be a waste of time and even an insult to their dignity.

The factors related to the cultural context will manifest also in the way the message of the negotiators is structured: those who come from cultures in which the context (social, political etc.) has an important influence on the individual will promote an indirect structure of the message, unlike the open cultures, with little influence of the global context, that will do a direct message structure. The same context is responsible for the choice of the communication channel in negotiation: cultures based on trust in people will tend to prefer oral communication, with agreements made orally, and those cultures which consider important the facts, will prefer to use, apart from the negotiation communication, the written agreements. Likewise, efficacy of the communication style in international negotiations depends on cultural context: the group-oriented cultures prefer the “problem

solving” communication style, while cultures that are based on authority and hierarchy adopt the “conviction” style. The style of communication in negotiation will also be influenced by the context in other aspects too, such as those related to politeness, formality, familiarity, proportion and importance of verbal or non-verbal communication etc.

In conclusion, an efficient communication in the negotiation process requires the partners’ awareness of the context in which it takes place, context containing multiple implications – from the macro – political and social level to the micro level, including individual reactions and linguistic/nonlinguistic nuances. It is important to note that these levels coexist, influence one another and determine the given situation, without being able to rank them.

The context affects both the production and reception of the message and for a successful negotiation to take place it is essential that the negotiation partners adapt to the context by following continuously the other’s feedback. This becomes possible when the negotiator has acquired specialized knowledge, ranging from social and individual psychology to ethnography and linguistics, at the same time being able to master strategies and techniques specific for the negotiation.

CULTURE’S DEFINITION AND ITS ELEMENTS

The definitions of culture are numerous and often vague, even contradictory. For example, there are some researchers who limit the concept of culture in the sphere of ideas, thoughts and emotions, defining it as “a common and sustainable set of meanings, values and beliefs that characterize a national, ethnic or other type of group, directing the behavior of its members”². The fact that it is sustainable over time should not be understood as static, invariable, but in the sense that it affects the behavior in the short term and in the long term it is a dynamic social phenomenon. Some as Hoebel consider culture as “an integrated system of learned behavioral patterns, characteristic to the members of a

community, and which is not the result of biological inheritance"³. Although the essence of the culture resides in our minds, one must still consider the fact that we learn about and understand our own culture and other cultures primarily through observation of a particular group.

Hall said that in addition to spoken language, people need to know a silent language – culture – if they really want to communicate effectively and understand a certain piece of information in the same way⁴.

J. Salacuse's definition illustrates the culture as being the set of behavioral norms, beliefs and attitudes specific of a group and transmitted through social interactions⁵.

From the perspective of Moran and Stripp culture is a negotiating tool for the issues of a group that allows individuals to survive in a community⁶.

In understanding the culture of the communication partner in a negotiation, the first things which are to be noticed are the actions and words, namely the outer layer, the behavior. The second level is that of a person's attitudes towards specific elements such as the right time to start discussions or the form of the presentations. There follow the norms and certain rules that are abided by in specific situations. In this case, one of the negotiation partners can understand that the other one's insistence to discontinue discussions at a specific time is not simply a preference but it is motivated by something more important, such as the Muslims' prayers which are to be said at specific times of day. Rules on the choice of the person leading the negotiations or on the rewarding ways are based on values considered important in a culture, values that form the innermost and complex layer. Most often the differences between the values of the negotiating partners are the thing most difficult to detect and understand. There have been many cases where these differences were discovered much later, when the parties had already begun to work together, fact that might lead to conflicts and even to the interruption of the cooperation.

THE EFFECT OF THE CULTURAL DIFFERENCES ON NEGOTIATIONS

Cultural differences between negotiators can obstruct negotiations in many ways. Firstly, they can create misunderstandings in communication. If an American manager responds to the proposal of another American with the phrase "It is difficult to have it done", his phrase, understood through the filter of American culture and business practice, is probably likely to mean that there is still opportunity for further discussion on that issue, provided the other party improves its offer. In other cultures, for example in Asia, people may be reluctant to say "no" directly, even if it is their real intention. Thus, when a Japanese negotiator, in response to a proposal, uses the phrase "it is difficult", he clearly indicates that the proposal is unacceptable. "It is difficult" means "no" in Japan while in the U.S. implies a "maybe".

Secondly, cultural differences create difficulties in understanding not only words but also in the interpretation of actions. For example, many occidentals expect a prompt response when making a statement or ask a question, while the Japanese tend to respond slower. As a result, negotiations with the Japanese have sometimes moments of silence that are very uncomfortable for an American. For the Japanese, the period of silence is considered normal – an appropriate time to reflect on what has been said. The fact that they might have to speak in a language other than their native one will only extend the period required for a response. From their cultural perspective, Americans interpret this silence as a lack of courtesy, or of understanding of the discussions, or as a cunning tactic in finding their true intentions. Rather than wait for a response, the Americans' tendency is to fill the void in discussion with words, asking questions, offering further explanation or simply repeating what has already been said.

This type of response can confuse the Japanese, who think that this way they are aggressed with questions and suggestions without being given adequate time to respond to them. On the other hand, the Latin Americans,

who place a high value on verbal agility, tend to respond quickly. They can answer a question once they understood it, even if the partner did not get to finish speaking. While the inexperienced U.S. negotiators are sometimes induced in confusion by the delayed responses of the Japanese, they get stressed when they are in negotiations with Latin Americans because of constant interruptions.

Thirdly, cultural considerations influence the form and substance of the settlement one is trying to reach. For example, in many parts of the Muslim world, where the Islamic law forbids charging interest on loans, anyone interested to do business is forced to rethink and rename financial charges in "administrative fees" to obtain consent at the negotiation table. Specifically, cultural differences will invariably require changes in products, management systems and personnel policies. For example, in Thailand, the relationship between a manager and an employee is more hierarchical than it is in the United States. The workers are motivated by a desire to please the manager, but instead, they expect and want their managers to be sensitive to their personal problems and be prepared to help them in case they need. In other cultures, such as Australia, employees do not expect nor want the managers to get involved in their personal problems. Thus, an Australian project in Thailand would require a change in its concept of relationships with the staff due to the local culture.

Finally, culture may influence the "negotiating style", the way people from different cultures behave during negotiation sessions. Researches indicate quite clearly that negotiation practices differ from culture to culture, because the culture can influence how people perceive the nature and function of negotiation. There are currently two major studying styles of negotiation: on one hand the analytical-descriptive style that focuses on a particular group (this category includes many books such as: *Negotiating with the Arabs / Indians / Japanese* and so on) and on the other hand we have that which opts for a comparative and intercultural approach.

NEGOTIATION STYLES DETERMINED BY THE SOCIO-CULTURAL CONTEXT

It is widely acknowledged within the practice of international negotiations that each negotiator should form an original style, his/her own approach to strategies and tactics, because, trying to imitate another's style usually leads to failure. In fact, at least at the subconscious level and somehow involuntary, any negotiator will adopt the collective style imposed by traditions and customs of their own country. Differences pertaining to national cultures, traditions, mentalities, collective habits, customs, require a certain behavioral style. Thus, the main negotiation styles encountered in the international business practice are:

- **The European style**, which varies depending on the geographical position, economic situation and culture of each country. Thus we can distinguish:

- The German style which is just, firm, rigorous, almost mathematical. The German negotiator will never make radical compromises, but he will neither have exaggerated claims.
- The English style, characterized by flexibility and by an apparent understanding. Although well prepared, the Englishman appears in negotiation amateur and naive. Paradoxically, he agrees with everything and anything. He is open, friendly, sociable and affable, possessing a natural good humor. He exhibits punctuality, courtesy, protocol being sometimes exaggerated. His information is always relevant and up to date; he has negotiation schemes prepared in advance, while the inspiration of the moment plays a minor part.
- The French style is elegant, classic, permeated by many cultures. The French negotiator prefers to go through three phases in the case of international business: the preliminary negotiation phase – exploratory, the phase for negotiation of principles – underlying decision making, and the decision phase, – when the transaction is closed. Once in the last

phase, the Frenchman becomes firm and to some extent arrogant. However, he considers negotiation a wide debate, aiming to find well founded solutions , considering it as a competition which opposes unscrupulous professionals.

- The Italian style is explosive, joy - releasing, friendly, yet overshadowed by the propensity to bribe. With the Italians, negotiations begin with long introductions and ceremonial greetings. Just like the Turks, they like to bargain even when they believe they have made a good deal. They show flexibility in negotiations, but when under time, or any other kind of pressure, they quickly lose their patience. We can say however that Italians do appreciate good protocol.
- The North European style is a cool style, reticent, cautious and quiet. Nordics speak little but are very consistent in expression. They can be quite easily conquered only in the early stages of negotiation. Towards the end, they become rigid, suspicious and constantly dissatisfied. They make the most of speculating information provided by the partner, consciously or not. Known as possessors of a solid professional training, modest, serious, punctual, polite and rigorous in everything they undertake, they induce a high degree of confidence to negotiation.
- **The American style** is the one that currently dominates the specialty literature. The U.S. negotiator is less formal, less protocol-centered and goes directly into the subject, after having induced in the beginning a warm honest climate, trustworthy and cooperative. Americans; only aim is profit. Generally, the American style of negotiation is characterized by exuberance, professionalism, skill, always aiming to achieve at all costs the set goal, subordinated to profit. Americans pay great attention to organization, to punctuality, and display, just like the English, a certain, equality in the head-subordinate relationship. One may notice and speculate in Americans the lack of knowledge about the negotiators from foreign countries and cultures.

Regarding negotiators from Latin America and South America, they are less rigid than the Northern ones. They prefer negotiations at protocol, informal meetings. Showing quite an exaggerated politeness (that can impress the partner but is taking up much time) and being masters in simulations, they use emotional elements to convince their partners.

- **The Arabian style** comports a climate of perfect hospitality. It is, as they say in the international business world, a style of the "desert", in which time matters least. It is vitally important for the negotiator to gain the Arab partner's confidence first. Frequently, the Arab negotiating style is messy, confusing, apparently lacking in elementary logic. Even if the negotiations occur in a normal, friendly climate, it is not seldom that the Arab negotiators resort to harsh statements, delays and interruptions to discuss with a third party, which usually has no connection with the negotiation. The Arab negotiator does not allow any formalized compromises, and bribery in business is not excluded, except for the fundamentalist Islamic countries, where religion harshly condemns those who receive bribes. Arabs particularly appreciate those who know their culture and way of life.

- **The Asian style** is recognized by suspicion and mistrust towards the West. Asians are well trained, specialized, and care a lot about their reputation. Negotiations with Asians representatives are slow, but once the transaction has been completed, they meet their obligations. Asian negotiators are hospitable hosts, know how to appreciate compliments, but they are reluctant to young partners and women. Their negotiating teams are usually composed of a great number of specialists, experts participating permanently in the debate, and who tire the partners physically and mentally. On the other hand, negotiations with Asian business people require a lot of experience and patience. They never negotiate "with their cards on the table" being slippery and obscure in their statements. They have a cold logic, are not sentimental feelings and the arguments they bring into discussion are based on facts, data and tradition.

They attach great importance to protocol rituals and in this sense their negotiating partners are advised to dress austere, elegantly and have business cards on them. They disapprove of friendly gestures such as the beating on the shoulder, shaking or kissing hands.

ADAPTING TO CULTURAL DIFFERENCES

Because of the diversity of cultures and their complexity, no negotiator can know and fully understand all the cultures he interacts with. But what helps him adapt easier and prevents misunderstandings is to identify the specific areas where there are significant differences and that may have a major impact on the result of the negotiations. Because of the importance the cultural differences have in international business negotiations, the negotiators must learn to adapt to them. Some of the basic rules worth mentioning for the process of adapting are the following:

1: Learn about the partner's culture

In any international business negotiation, it is important for a negotiator to learn something about the other's culture. The degree to which this knowledge is realized depends on many factors including the nature and importance of the transaction, the negotiators' experience, the available time for such a process and the similarity or lack of it between the cultures represented in the negotiations. For instance, a simple export agreement negotiation requires less cultural information than a negotiation of a long-term strategic alliance, which requires parties to "audit" each other's cultures, the same way as their financial assets.

Ideally, learning about another culture can take years of study, a very good knowledge of foreign languages, and prolonged residence in the country of that culture. An American that has to negotiate a strategic alliance in two weeks with a Thai company in Bangkok can not, in a short time, learn to master the details of Thai culture. At best, he can learn enough to deal with

the main effects that can occur and influence the settlement. Important sources of information on Thai culture should include the country's history, consultations with people who have business experience in the country, lawyers and local consultants, anthropological and ethnographic studies, reports on the current political climate, and, (if there are any), reports of negotiations with Thais. As Weiss rightly indicates, the cultural knowledge of a negotiator can influence the strategies and tactics used during negotiations. For example, a person familiar with the language and culture of the negotiation partner can use the negotiation style and the approach specific to the partner's culture, while someone with less familiarity on the respective culture may choose to hire an agent or a facilitator belonging to that culture to assist in the negotiations.

As business arrangements increasingly take the form of long-term relationships, it is important that cultural learning continues even after the deal has been signed. In fact, the dynamics of this type of long-term relationships between the parties of the agreement is a continuous negotiation as the alliance partners crystallize their rules and practices of their business relationship.

2: Do not generalize, do not stereotype

If rule number one in international negotiations is to "know the other's culture", rule number two is "avoid to rely too much on those cultural knowledge". Thus, not all Japanese are reluctant to give direct negative responses, just as not all Germans say to their partners exactly what they think about the proposal. In short, the negotiator who enters into a foreign culture should take care not to let cultural stereotypes to determine his relationships with the local business men. People will feel offended if they feel that their partners are not treating them as individuals, but as cultural robots. In addition to the fact that they may cause offense, cultural stereotypes can also be misleading. It often happens that the other side does not negotiate in the style and forms suggested by articles, books and consultants. And that is because in addition

to culture there are other factors that may influence a person's negotiating behavior. Specifically, these factors may include: the negotiator's personality, the organization he represents, as well as the context of the respective negotiation.

3: Find ways to bridge cultural differences

Generally, managers who meet a culture different from theirs in a negotiation tend to see this in three ways: as an obstacle, as a weapon or as a fortress. At operational level, cultural differences are rarely seen in a positive way.

The conventional view among U.S. executives is that cultural differences are an obstacle to understanding and joint effective actions. Thus, they seek ways to overcome this obstacle. But a different culture in a business context can become more than an obstacle; it can be seen as a weapon, especially when the dominant culture tries to impose on the other party. For example, the insistence of U.S. negotiators to structure a transaction in their specific way may be considered by the foreign parties as a means of using the American culture as a weapon.

Faced with a culture perceived as a weapon, a partner of a business transaction may become defensive and may use his own culture as a fortress to protect himself from what he apprehends as a cultural aggression. The Japanese have often adopted this approach when faced with American demands to open their economic markets. The French effort to limit the use of English in advertising is a defensive response to what they considered to be the weapon of the "Anglo-Saxon" culture.

More light may be shed on the matter if we try to think about cultural differences in yet another way. Cultural differences tend to isolate individuals and groups. In short, cultural differences create a gap between people and organizations. Actions that people do when confronted with cultural differences often get only to deepen even further these gaps – for example, when one party denigrates the cultural practices of the other party.

Effective international business negotiators should try to find ways to bridge over the gap of cultural differences. One way to create this

bridge is the use of culture itself. If, indeed, culture is the main element of cohesion that binds a group of people, intelligent use of it among people of different cultures is often a way to bring together those on opposite sides of the cultural spectrum. Basically, we could identify three ways of building the cultural bridge that someone facing a cultural gap in negotiation may consider:

- *Using the other's culture to create a bridge:* one technique for doing this is that a negotiator assumes all or part of the cultural values of the foreign persons with whom he negotiates. In international business, negotiators often try to use or identify the other party's culture to be able to build a relationship. Thus, an Italian-American negotiating a contract in Rome will focus on his Italian roots as a way to cover the cultural gap that he perceives.
- *Using one's own culture to create a bridge:* another general approach to bridging cultural gaps is to convince the other party to adopt elements of your own culture. For the successful implementation of this approach one needs time and proper training. For example, to provide a common culture for a joint venture, the American partner will incur significant costs to send his foreign partner's executives to schools and specialized training programs in the United States and then provide internships for them, within his operations there.
- *Using a third culture to create a bridge:* the last method to create a cultural bridge is based on a third culture that does not belong to any of the two parties. Thus, for example, in a difficult negotiation between an American manager and a Chinese manager, they both have found that they shared an appreciation for the French culture, both having studied in their youth in France. They start speaking in French, and their common love for France helps them build a strong personal relationship. They used a third culture to create a bridge between cultural differences between China and the U.S.

CONCLUSIONS

The negotiation is equally a native talent, as well as a skill gained through learning and experience. Everywhere and in all times, people have not imposed their will in an absolute, unilateral manner, but sought for joint solutions, i.e. negotiated solutions. Communication at an international level must take into account the cultural differences between countries, differences that concern behavioral standards that are considered by the foreign partners as known and generally applicable in a natural way in their business environment. In international negotiations, the negotiators must have a special interest in the national behavioral details concerning the material goods, the use of the available time, societal behavior, and the attitude towards the language that is spoken in a specific country.

Creating bridges and limiting cultural differences always calls for an open attitude from the part of the negotiating partners as well as for their willingness to collaborate. It is particularly important that both parties feel comfortable and perceive the relationship as a secure one, because otherwise, if this is seen as harmful in the long run, there will not be any more openness and willingness for collaboration. Therefore, one of the priorities for the negotiating partners should be to assure the other party of their serious and honest intentions in order to create a long lasting relationship based on trust and mutual respect.

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