

essentials of negotiation Lewicki, Baski, Saunders

CHAPTER ELEVEN

International and Cross-Cultural Negotiation

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Plan

- Review last week's concepts (Multiple parties & teams)
- Commons - conclusions
- International & cross-cultural negotiations
- Game

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What Makes International Negotiations Different?

Overall contexts influencing international negotiations:

<p>1.Environmental: Includes environmental forces that neither negotiator controls that influence the negotiation</p>	<p>2.Immediate Includes factors over which negotiators appear to have some control</p>
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1. Environmental Context

Factors that make international negotiations more challenging than domestic negotiations:

- Political and legal pluralism
- International economics
- Foreign governments and bureaucracies
- Instability
- Ideology
- Culture
- External stakeholders

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2. Immediate Context

Factors over which the negotiators have influence and some measure of control:

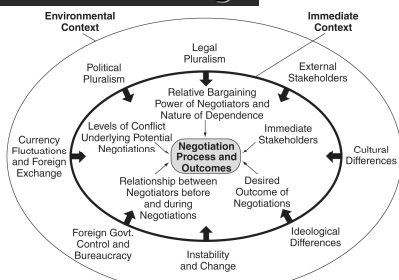
- Relative bargaining power
- Levels of conflict
- Relationship between negotiators
- Desired outcomes
- Immediate stakeholders

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The Contexts of International Negotiations



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Your experience with culture

- What kinds of "culture" affect relationships?
- Did you ever experience situations for which part of the explanation was a cultural difference?
- When do cultural differences count? When do they pale compared to other considerations?
- Do these differences "play out" at all levels (inter-personal..... international?)

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Conceptualizing Culture and Negotiation

- Culture as shared values:
Hofstede's dimensions of culture
 - Understanding central values & norms
 1. Individualism/collectivism
 2. Power distance
 3. Career success/quality of life
 4. Uncertainty avoidance

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1. Individualism/Collectivism

Definition:

The extent to which the society is organized around individuals or the group

- This orientation influences a broad range of negotiation processes, outcomes, and preferences

Individualistic societies may be more likely to swap negotiators, using whatever short-term criteria seem appropriate

Collectivistic societies focus on relationships and will stay with the same negotiator for years

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2. Power Distance

Definition:

The extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally

- Cultures with stronger power distance are more likely to have decision-making concentrated at the top of the culture.

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3. Career Success/Quality of Life

Definition:

Cultures differ in the extent to which they hold values that prompt career success or quality of life.

- Promoters of career success are characterized by acquisition of money and things, and not caring for others, the quality of life, or people

Promoters of quality of life characterized by the concern for relationships and nurturing.

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4. Uncertainty Avoidance

Definition:

Indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations

- high uncertainty avoidance negotiators are less comfortable with ambiguous situations and want more certainty on details, etc.

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The Influence of Culture on Negotiation: Managerial Perspectives

- Definitions of negotiation
- Negotiation opportunity
- Selection of negotiators
- Protocol
- Communication
- Time sensitivity
- Risk propensity
- Groups versus individuals emphasis
- Nature of agreements
- Emotionalism

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The Influence of Culture on Negotiation: Research Perspectives

- Negotiation outcomes: Research suggests that

culture has an effect on negotiation outcomes, although: it may not be direct & it likely acts through differences in the negotiation process in different cultures

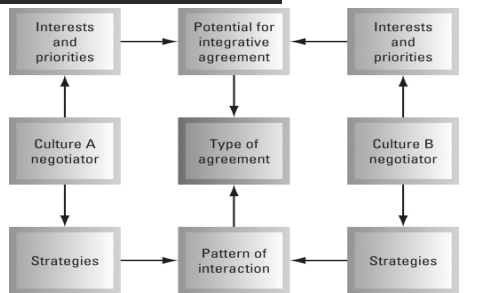
■ cross-cultural negotiations yield poorer outcomes than intracultural negotiations

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The Influence of Culture on Negotiation: Research Perspectives



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Culturally Responsive Negotiation Strategies

1. Low Familiarity

- Employ agents or advisers (unilateral strategy)
 - Useful for negotiators who have little awareness of the other party's culture
- Bring in a mediator (joint strategy)
 - Encourages one side or the other to adopt one culture's approaches or mediator culture approach
- Induce the other party to use your approach (joint strategy)
 - The other party may become irritated or be insulted

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Culturally Responsive Negotiation Strategies

2. Moderate Familiarity

- Adapt to the other negotiator's approach (unilateral strategy)
 - Involves making conscious changes to your approach so it is more appealing to the other party
- Coordinate adjustment (joint strategy)
 - Involves both parties making mutual adjustments to find a common process for negotiation

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Culturally Responsive Negotiation Strategies

3. High Familiarity

- Embrace the other negotiator's approach (unilateral strategy)
 - Adopting completely the approach of the other negotiator (negotiator needs to be completely bilingual and bicultural)
- Improvise an approach (joint strategy)
 - Crafts an approach that is specifically tailored to the negotiation situation, other party, and circumstances
- Effect symphony (joint strategy)
 - The parties create a new approach that may include aspects of either home culture or adopt practices from a third culture

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