Process in Cross-Cultural Negotiations

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This essay describes the four broad themes that emerged from our discussion about the role of process in cross-cultural negotiations and considers their implications for future research. First, we address the nature of the conflict, in particular whether a negotiation is classified as a dispute or a transactional exchange. Second, we contrast the role of cognition and rapport in negotiations and consider when rapport replaces the centrality of cognition. We also discuss the extent to which negotiating processes create relationships based on trust or power, and consider how cultural values influence the development of these underlying relationships. Finally, we consider the role of culture in defining what is perceived as an optimal outcome and raise the possibility that suboptimal outcomes may hold symbolic value in cross-cultural negotiations.

The scholars who participated in this session focused primarily on the relationship between culture and the negotiation process. Drawing on existing classificatory schemes (e.g., Hofstede 1980; Schwartz 1994), we considered how culture influences both the substantive and relational aspects of communication. The substantive aspects refer to the content of communication; relational aspects refer to form. Culture is known to shape the substance of communications by influencing the kinds of strategies that

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negotiators use (Brett and Okumura 1998; Adair, Okumura, and Brett 1998). It is also important to consider whether culture influences how negotiators provide information. For example, differences in the phrasing of substantive information can tell us about negotiators’ perceptions of interdependence; the level at which they define their identity; whether they are attempting to increase or reduce social distance; and, the extent to which they define relationships in terms of power (Donellon 1994).

We began by posing two questions: (1) What are the processes that lead to shared frames in cross-cultural negotiations?; and (2) Are shared frames essential to high joint gains? To provide a framework for discussing these questions, we drew on existing theory (Burgoon, Stern, and Dillman 1995; Gibson 1997; Leung 1997; Putnam 1990) to identify several issues for consideration. These included the point at which cultural dimensions affect the negotiation process; how culture shapes goals, expectations, and attributions about the other party; how it influences reactions to the violation of expectations; and, whether culture influences the meaning derived from social interactions in the context of negotiations.

The discussion that emerged can be classified into four broad themes: the nature of the dispute; the influence of cognition; the underlying relationship; and, the definition of an optimal outcome. In this brief report, we integrate these four themes with current theory and highlight directions for future research.

**Dispute Resolution or Transactional Negotiation?**

*Theoretical Framework.* Research examining cultural differences in conflict resolution and negotiation has drawn heavily on the work of Hofstede (1980) and Schwartz (1994). These classificatory schemes highlight cultural differences in goals, attitudes toward power and uncertainty, as well as whether individuals adopt a task or relationship focus. For example, the cultural dimensions of individualism versus collectivism and hierarchy versus egalitarianism shape negotiators’ strategy preferences and outcomes (Brett and Okumura 1998). Our question to the group was whether these dimensions act independently or interdependently, and at what point in the negotiation process their impact is felt.

*Discussion.* The discussion challenged the fundamental premise of the question. Instead of discussing cultural differences in negotiation in terms of cultural dimensions, the discussants focused on the idea that conflict occurs within a broad historical context, unrecognized by classification schemes. Contextual factors, though rarely explored, shape and possibly over-ride the differences in cultural values identified by Hofstede (1980) and Schwartz (1994). Consequently, when studying more complex and ongoing cultural conflicts, the negotiation process will be strongly affected by the history of the conflicting parties and the context within which the conflict occurs.

The underlying issue leading to fissure in this discussion may have arisen from a blurring of the distinction between conflict resolution and