



If your organization grapples with the challenges of negotiating in multi-cultural contexts, we can help.

We are a boutique negotiation and conflict management consulting firm headquartered in Cambridge, Massachusetts. With global reach and a global client list, we specialize in providing advice, coaching, training, and support across the full spectrum of negotiation-related challenges for a select group of clients in the private and public sectors. Our core services include:

- Consulting and Advising
 - Transactional Support
 - Non-Partisan Facilitation
 - Articulating Value
 - Organizational Systems
- Corporate Education
 - Workshops and Clinics
 - Individual and Executive Coaching
 - Speakers

Contact Us

CMPartners
50 Church Street, 3rd Floor
Cambridge, MA 02138
USA
Tel +1 (617) 868-2416
Fax: +1 (617) 812-8562
mail@cmpartners.com

The Culture Question

by Stacy Heen

"We thought we had a clear and mutually understood agreement, but the ink was barely dry on the contract when our supplier violated its terms."

"They showed no interest in us personally – they just wanted to get the deal. Don't they understand how important relationships are?"

Clients frequently ask us to address questions of culture and negotiation, and however complex their situation, their question often boils down to: *"So how do you negotiate cross-culturally?"*

The question usually comes from clients who work for multinational corporations or international organizations. But it also comes from smaller companies whose supply chains are sourced overseas or whose call centers have been moved abroad even while core operations remain in the home country. Negotiating effectively across cultures is becoming a core competence for many organizations and companies, wherever they are located.

Truth be told, we rarely hear "the culture question" because someone wants to share the rich opportunities and learning they have gained by interacting with someone from a vastly different cultural background. Typically, clients raise the topic because they have run into some kind of negotiation challenge or roadblock that they suspect has to do with cultural difference.

Defining Culture

The first challenge of addressing "the culture question" rests in conceptualizing the word culture itself. In his 1983 book *Keywords: A Vocabulary of Culture and Society*, British historian Raymond Williams called culture "one of the two or three

most complicated words in the English language." Indeed, the scholarship and writing in the 25 years since then has not really cleared up the matter: even today, very smart academics and practitioners do not agree on a single, shared definition of culture.¹ For our purposes, let us say that the idea of culture is concerned with the identification of shared characteristics—mindsets, values, beliefs, behavioral norms and expectations—across some identifiable group or population.

Even in saying that, we recognize a central pitfall of culture as an idea: group generalizations easily lead to stereotyping, which will neither guide you in a negotiation when the individual you face deviates from the cultural stereotype, nor robustly predict any single person's behavior when, in reality, they identify with (and have been shaped by) not just one cultural grouping, but many. Imagine you are going to Stuttgart to negotiate with a German woman over funding your organization's activities. How helpful will your guidebook on "Negotiating with the Germans" ultimately be if she was raised in Brazil, schooled in the US, worked in Senegal, and has only lived in Germany for 6 months?

In reality, every individual is a collection, an amalgam, of many different cultural influences and experiences. It is not too far off the

¹ The term's complexity is well illustrated by the wordy definition Kevin Avruch, Professor of Conflict Resolution and Anthropology at George Mason University, supports: culture as "derivatives of experience, more or less organized, learned or created by the individuals of a population, including those images or encodements and their interpretations (meanings) transmitted from past generations, or contemporaries, or formed by individuals themselves." (From his article "Culture and Negotiation Pedagogy".)



Ten Ways Culture Affects Negotiation Style

Below are broad categories in which differences between cultures tend to surface in negotiation. There is a spectrum associated with each category; expect challenges when you and your counterpart lean toward opposing ends of the spectrum.

- ✓ Negotiating goal: contract or relationship?
- ✓ Negotiating attitude: win/lose or win/win?
- ✓ Personal style: informal or formal?
- ✓ Communication: direct or indirect?
- ✓ Sensitivity to time: high or low?
- ✓ Emotionalism: high or low?
- ✓ Form of agreement: specific or general?
- ✓ Building an agreement: bottom up or top down?
- ✓ Team organization: one leader or consensus?
- ✓ Risk taking: high or low?

Jes Salacuse: The Top Ten Ways Culture Affects Negotiation Style (1998)

mark to say that *every* interaction you have with another person is an exercise in cross-cultural communication.

However, that perspective also has limitations, as it comes close to dismissing culture as irrelevant. Our lived experience suggests otherwise; are we really supposed to ignore the observable patterns we *do* see?

We think there is a middle way to address the culture question, in which *openness to learning, nimbleness, and adaptation* are indispensable negotiation skills.

How Culture "Shows Up"

A useful starting point is less academic and more practical: namely, to look at how culture "shows up" in negotiation. Typically, our clients are either (a) worried something will go "wrong" when they deal with the *Americans / Saudis / labor organizations / NGOs / religious leaders* (et cetera) or (b) grappling with something that has already gone "wrong" between the parties. Cultural misunderstandings can have serious consequences: project delays; loss of a deal or a new market opportunity; breakdown of a partnership; treaty violations; overt violent conflict.

That being said, companies, organizations, and governments don't make deals, resolve conflicts or even misunderstand each other: *people* do. Culture might be a big amorphous, indefinable soup we all swim around in, but in negotiation, "the culture question" ultimately shows up at the interpersonal level—in the nature, quality, and content of communication between the involved parties.

Approaching the Culture Question

To our minds, any useful advice we might give on addressing culture in negotiation comes from an empirical, action-based orientation and is rooted in interpersonal communication. (Our own cultural biases in play, no doubt.)

Culturally-informed mindsets, values, beliefs, behavioral norms and expectations consist of sometimes subconscious and often unspoken assumptions about how things "should" be" or "should go". The cultural lenses through which we view the world are typically invisible to others, residing as they do inside our heads and in our personal histories.

What's more, most of us are not in the habit of noticing the panoply of our own assumptions, let alone discussing them with our negotiation counterparts.

In this, culture is a bit like language: nobody thinks that they themselves have an accent. To you, how you talk is just how *to* talk; *other* people are the ones with the accents. But your counterparts are hearing your accent, and thinking how odd and unfamiliar it is. So it is with culture.

First, then, don't forget that you "have" culture too. You are bringing a full set of complex and unspoken cultural norms to the table. To the extent that you forgot that, and have been implicitly assuming that your task with respect to the culture question was to get them to go along with your way or preferences or policies or laws—because, let's face it, life would be simpler if they did—you are contributing to the negotiation challenges or roadblocks you face or anticipate facing.

Indeed, it is not terribly helpful to have as your starting goal *getting them* to do things your way, or even *getting them* to understand you and your culture. Why? Because you cannot ultimately control what they do or understand.

Our primary piece of advice, then, is to reframe your purposes toward things that are more within your control. More helpful purposes include (1) identifying where culture-based differences might show up; and (2) figuring out how to handle those differences. Some key activities before and during the negotiations can make a big difference.

During Preparation...

1. Anticipate areas where you may encounter cultural differences, such as the ten areas highlighted in the sidebar. We are not saying that guidebooks on interacting with various groups are useless; learning more about a national or organizational culture can provide useful guideposts and markers for common behaviors you may encounter. So read the books; consult colleagues or friends who have spent significant time in that cultural milieu. Preparation along these lines can dampen in-the-moment surprises, which are significant derailers in negotiation. For example, with good preparation the following is a preventable moment: "How could this

possibly have fallen through when the Chinese delegation said ‘yes’ during the meeting?”

2. But: beware the stereotype. Don't forget the limitations of generalizing your counterparties into singular descriptive groupings. Be open to—and expect—the individuals you engage to deviate from the generalization in small or large ways. Seek learning about the person, and know that if you build a whole negotiation strategy around a set of assumptions about how they will think or behave, you will need to adapt quickly to new information about them.

3. Plan for contingencies. What if, for cultural reasons, they won't agree to X, Y, or Z? Or they agree, but there is no follow through? Know your Best Alternative to a Negotiated Agreement (BATNA) and seek ways to improve it—in case you need to use it.

During the Negotiation...

1. Consider discussing the culture question openly, potentially even negotiating with your counterparts over how to handle your differing expectations, norms, beliefs, and values. Might all parties agree to abide by either your cultural norm or theirs (say, around hiring practices, or the implications of a handshake versus a written contract)? Perhaps you can negotiate a third created/new norm that may be more acceptable to everyone. Negotiating explicitly toward a shared set of norms and expectations—process agreements—is one way to reduce the chances of things going wrong later.

2. Manage your reactions. Still, things will not go entirely as planned. Culture is deeply embedded and even explicit agreements like the above won't cover everything. In those inevitable “culture clash” moments, you may find yourself:

- Becoming emotionally heated (annoyed, angry, disappointed);
- Losing trust in them (“we should have known they wouldn't follow through”);
- Blaming someone (“they screwed this up” or even “it's my fault for thinking this could work”);
- Stereotyping them (“I *knew* they would do that. Typical!”)

One way to manage these reactions is to remember that *impacts* and *intentions* are not necessarily the same: even if their backing out of an agreement, for example, had a bad impact on you or your organization, it does not follow that they *meant* to hurt you. Use moments like this to inquire into what they were trying to do or accomplish when they did what they did—and decide what to do from there. Similarly, be explicit about your own intentions (“here is why I am asking” or “here is why we did that”) and watch for places where your good intentions may be having a bad impact on them.

3. Generously frame the story. Avoid describing ongoing differences as a matter of right and wrong, which fuels defensiveness and mistrust (see the sidebar at right). Instead, acknowledge their story as well as yours, and seek an inclusive “both/and” version of what's happening between you.

4. Get creative. Don't attempt to negotiate others out of their deeply held values and beliefs. Instead, look for shared interests you can build upon. The Public Conversations Project in the United States brought pro- and anti-abortion activists together for dialogue. Neither group was asked to abandon their core beliefs about the rightness or wrongness of abortion; instead, they discovered areas of collaboration on topics they could agree upon: reducing teen pregnancy and expanding the availability of adoption.

5. Extend grace and humor. Finally, remember the power of humor to diffuse cultural miscues. In a recent negotiation course I facilitated, we were explaining the concept of a “Zone of Possible Agreement” when two Russian women started laughing out loud. As it turns out, the acronym ZOPA is a Russian slang term for one's bottom. I had been standing in front of the room, gesturing wildly with my hands to explain *what a huge ZOPA* there was in the case we were discussing. After a good laugh all around and a quick terminology change to ROPA (Range Of Possible Agreement), we moved on. In short, make a choice to let each other “off the hook” for the well-intentioned mistakes we are all going to make with each other due to our differing cultural backgrounds. Your negotiations – and relationships – will be the better for it. □

Stories Matter

In 2002, Israel began construction of a 700km long separation barrier on Israeli-occupied territories in the West Bank and along the “Green Line” between Israel and Jordan. The wall has been a subject of intense controversy and two competing stories have emerged about its purpose.

Story A: This structure is for the safety of Israelis...for protection from Palestinian bombs killing innocent civilians.

Story B: Under the pretext of security, Israelis are using the wall to redraw borders to favor Israel.

No matter who tells them, these stories stem from differing culture-based experiences and backgrounds. Notice that each story frames the storyteller as “right” and the other side as “wrong.”

Such dichotomies force an impossibly divisive question: namely, *who is right?* Learning and problem solving cannot occur when parties are busy trying to win that argument.

So when learning and problem solving are important, what helps? Acknowledging that each story makes sense *to that party*. Instead of choosing either one story or the other as the “truth,” make room for the stories to coexist (“both/and”). Even better: craft a *new* story that captures elements of both parties' perspectives.

For further reading:

Avruch, Kevin. “Culture and Negotiation Pedagogy.” *Negotiation Journal* 16(4): 330-346.

Brett, Jeanne M., *Negotiating Globally*. San Francisco: Jossey-Bass, 2007

Faure, Guy Oliver and Jeffrey Rubin, *Culture and Negotiation*. California: Sage Publications, Inc., 1993.

Salacuse, Jeswald. “The Top Ten Ways That Culture Can Affect Your Negotiation.” Reprinted in *Ivey Business Journal*, March/April 2005.