Izabela Cichosz

Społeczna Akademia Nauk

Succesfull International Negotiations

Abstract: Today's concept of economic globalization is predicated and centered around a sustainable development various economic systems which focus on their ability to achieve the best possible results today without jeopardizing the ability of national economies to meet their needs in the future. Beginning with the fact that globalization has become a pre-requisite for most companies today, regardless of its size or scope of operations, I will, in this paper talk about the theoretical issues that surround globalization of an economy, different types and stages of international transactions and the business communications that go on within these internationalization stages.

Keywords: international negotiation, cross-cultural negotiations, global negotiations

Introduction

Development of International business is now becoming a requirement for firms to exist, notwithstanding its size or scope of operations and this implies that internationalization and globalization will make up the core

features of the today's world. The process of internationalizing business operations, which is known as the carrying out of such business activities across one's national borders is not a new trend in today's global economy.

Irrespective of the company's size or breadth of operations, global business development has become a pre-requisite for most businesses to exist; hence their business strategy must put into consideration the need for globalization. Today's modern society has evolved into one which is characterized by increased rights to freedom of expression tends to avail most entrepreneurs an array of practical integration options in both the European Union and the worldwide community as regards foreign trade.

International negotiation

This area has proven to be one of the most challenging aspects to most managers during international transactions. International negotiation can be very hard and complicated because it involves two countries that are guided by separate laws, rules and regulations, standards, business ethics and most importantly, differences in culture (Chmielecki 2010). It is quite expensive to enter into foreign markets.

According to Druckman (Druckman 2001, p. 520), "The process of negotiation is dynamic, and its results develop from patterned exchanges between constituencies and their chosen negotiators". Negotiation is a process for managing disagreements with a view to achieving the contractual satisfaction of needs (Chmielecki, 2010). Negotiation is a tool for social interaction used in arriving at an agreement between two or more parties that have their own very important individual agenda or interests (Chmielecki, 2017). With negotiations that involve different cultures, the situation is a bit more complicated, and this is due mainly to their diverse cultures, communities, communication patterns, political environments, philosophies, and traditions or customs (Chmielecki, 2012). In international business, studying cross-cultural negotiation has become very fundamental.

All misunderstandings normally have an element of interpersonal communications, wrapped around the cloak of culture. It is also important to point out that the amount of impact that culture may have depends on the persons involved as no two individuals from the same country, section religion, gender, or socio-economic class will have the same disposition and attitudes towards their cultural inclinations (Chmielecki, 2015).

We happen to be a lot more aware what influence cross-cultural differences can have on international negotiations and that different cultures require different negotiation tactics. There is ample verifiable evidence that points to the fact different cultures have different negotiation techniques [Adair, Brett, Okumura, 2001]. Every country's negotiation style is mostly as a result of her culture, history and several other factors. Those involved don't only experience a difference in language or clothing but also encounter diverging views on the global definition of aims and objectives of a business and also what drives motivation.

Features of successful international business negotiators

A broad review of the subject matter resulted in the development of different preliminary questionnaires which tried, though at uneven rates of success, to unravel the characteristics of an effective cross-cultural negotiator. As new discoveries on the subject were made and as its authors were undertaking practical international negotiations, these questionnaires were reconstructed to reflect these discoveries.

Effectiveness

Successful international negotiators appreciate and know how to effectively apply the decision-making techniques of the particular country they are dealing with. The negotiators blend easily with different nations' en-

trenched norms and practices. They can very quickly adjust their tactics to suit the current situation, doesn't matter if they are dealing with non-industrialized nations whose decision-making structure are more centralized or with industrialized countries with decentralized decision making. These skilled negotiators understand the major procedural differences that exist within each group, and they know how to handle them.

For instance, Germans frequently adopt the use of committees made up of technical experts to process their decisions. French executives are more concerned about long-term objectives and seem to assume a more centralized approach to decision-making, implying that it takes a longer time before they arrive at a decision. They are also very receptive to conflicts that may arise during the process of negotiation – while there are so many others like the US and Japan who are usually not comfortable with these type of conflicts.

Taking another example, Mexicans are more disposed to a centralized structure and for them, the personality of the decision-making authority would have a huge impact on the entire process. More precisely, the mantle of authority in a Mexican company rests more on the individual than on the job title or position. Likewise, there seems to be lacking some form of technical competence with negotiators from these nations (even with those that are enlightened from those industrialized countries). For underdeveloped countries, two major problems they deal with are their host governments and process delays. For instance, for most of them, their national governments are mostly worried about bringing in economic advantages without the accompanying political backlash received from opposition politicians and pressure groups. They are also interested in embezzling as much as they can above the average rates as expected by the MNC in the way of taxes, shared earnings, or exchange transactions that help retain excess money within the nation. Another area of concern is with process delays. For example, negotiating a business deal in Asia and Latin America takes a much longer time than in the US. Negotiators from these fast-paced nations tend

to feel that the slower negotiating nations are just deliberately being mis-leading (TOS). They are not aware that for most highly centralized countries, it takes time for decisions to pass through its several bureaucratic layers.

Flexibility

Successful international negotiators are easily adaptable to even the most unusual situations, like bribery, and they handle the problems in the contexts of that country's indigenous traditions. For some cultures who frown at corruption, gestures like gift-giving or dolling out payoffs don't sit very well with them, and there are other nations who would view the same practice differently. Certain people who visit the USA for the first time from other nations think that American's maintain a double practice when it comes to issues of bribery. These visitors are usually indifferent about tips, giving bribes to make waiters not spill coffee on a customer, or at airport skycaps – giving bribes so that your luggage is not lost or offering foreign inspectors bribe. Western negotiators who are governed by the Foreign Corrupt PracticesAct (mostly those in the USA) believe in abiding by market regulations and competing fairly as regards price, quality, and service. There isn't any room for gifts and payoffs. Sometimes, these negotiators storm out of negotiation talks in third world nations where they seem to imply giving of bribes (which by the way is standard practice to them). These negotiators seem not to appreciate the three connected traditions that try to explain the relevant cultural background of these payoffs and kickbacks in these third world countries: these traditions include (1) the inner caucus, (2) preserving a culture of future gestures, and (3)exchanging gifts. Heiba (1986), Fadiman (1986), and an unknown Trips magazine author (1988) have talked about other facets of bribery. We will now talk about the three connected traditions: More communal cultures seem to be more inclined to dividing society into various classes like; the people who are in the inner circle (i.e. those they are directly dealing with) and those in the outer circle (strangers,

unfamiliar faces). These types of societies limit their social and business dealings to only those whom they know (i.e. those in the inner circle). For instance, someone in the inner circle may be told to employ only workers who come from a specific region in return for reliable labor.

Inner Circle members rejuvenate their relationships by giving and receiving favors. Japanese refer to this as giri or inner responsibility; Kenyans refer to it asuthoni, or inner friendship; Filipinos refer to it as loob, or inner debt and so many other terms for so many other nations. Based on this system, the belief is that anyone who owes a favor to another person or group is supposed to repay those favor at one point in the future. Repaying these favors automatically leaves the other person or group in debt of a favor to be repaid in the future creating an endless loop of giving and taking of favors.

Non-Westerners are often more concerned with building longer-term business and personal relationships in rather than the giving or taking of gift items. Gifts are used to display feelings of both affection and the intention to maintain a friendly business relationship for a long time. Their belief is that: Gifts are ideal for building social bonds and obligations with non-attached Westerners who are majorly interested in discussing business during business proceedings.

Hence, for trust to be established in the relationship, it is important that a sense of obligation is imbibed in the Westerner.

Proficient international negotiators know and appreciate these three traditions. They operate effectively within non-Western business partners inner circles and take part fully in the giving and receiving of gifts and favors. Due to this, they are normally treated more favorably during business transactions; they are granted access to somewhat secret networks of business contacts and lobbyists; and as they continue to practice these contractual obligations in the context of their local culture, they tend to gain the trust of the people more and more.

Individual Stability

Successful international negotiators are usually very stable, feeling secured and confident that they can weather any storm that arises on the job. There is a higher likelihood of achieving success when negotiation is with foreigners than with fellow citizens. Proficient international negotiators are usually so internally secure that they don't seek the approval of other people. They understand that trying to gain others' approval leaves them vulnerable and they also try not be too accommodating or patronizing to foreign negotiators too else they will be taken advantage of.

Tolerance

Successful international negotiators patient and accommodating even with ambiguous situations and TOS, notwithstanding the immense pressure. Most Westerners see eastern nationals as enigmatic, and part of the challenge they face when they negotiate with Asians is their untapped ability to speak and express feelings and thoughts. Societal limitations, like the regulations that guide saving face and they, have been impeded by the autocratic tone of some cultures like that of China's Confucian tradition. More specifically, many negotiations done in America with which we have acted in consulting capacity have revealed hoe the Chinese tend to be a bit more secretive with what their actual aims and objectives are, even though a lot of time has been wasted getting past the introductory stages. Foreign negotiators who are not armed with these guidelines about the Chinese and what they look out for may just be swimming in very dark waters and have less persuasive proposals. Pye (1992) has also reported similar finding. However, skilled international negotiators are adamant even when the situation is ambiguous situations and are patient until TOS become ready to share very important information. Proficient negotiators are aware that TOS are unlikely to reveal this information until they are

convinced that their business counterpart has deserved to know TOS's main objectives. Proficientnegotiators also display calculated patience, especially when the parties involved in the negotiations are trying to arrive at a final decision. They are cautious enough to create ample additional time within their schedules to create room for bureaucratic delays, postponements, and extended TOS deliberations.

Summary

Dedicating enough time, energy and resources to understand good international negotiation skills is critical to every organization. These days, more and more companies seem to be expanding their operations across international borders and so cannot ignore the impact cultural differences may have. Notwithstanding their size or scope of operations, most companies seem to be falling into the same pit holes when entering into foreign markets. This common pit hole is that these companies approach these unknown markets just as they would approach their own indigenous markets. (Artopoulos et al., 2011).

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