Intercultural Business Negotiations

*Integrative negotiation between Denmark and China seen from a Danish point of view*

Bachelor Thesis

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Abstract

The purpose of this thesis was to investigate how the integrative negotiation was affected by culture seen from a Danish view with a Chinese counterpart. The rapidly increasing trade between the 2 countries and China’s position as an emerging market motivated this.

Culture was defined as a set of values, which influence behaviour and form the grounds on which all impressions are judged. Overall 2 different distinctions between the perception of culture have been made, the emic and the etic. Hofstede and Hall belong to the etic approach, and Fang belongs to the emic. The differences between these 2 distinctions are the position of the actor, within or outside, and if cultures are static and predictable or changing and unique. Denmark and China have different values for all dimensions within Hofstede and Hall’s framework, and these are relatively large with the exemption uncertainty avoidance. The implications of this are that many of the cultural values differ, which can make interaction problematic. China was examined with the use of Fang, and the Confucian dynamics was added; these consisted of Yin-Yang, Guanxi and Face. Based on this, Hofstede’s framework was found to be simplistic, and not capable of describing the Chinese culture in more than very broad lines. The limitations of Hofstede’s work primarily concerned a discussion of whether it was representative, and the possibilities of ethnocentrism and stereotyping.

With regards to negotiation, the focus was on the integrative negotiation, which was characterized as a negotiation containing multiple elements, which could be traded off against in other according to priority and interest, in order to realise a potential joint gain. By nature this type of negotiation was mixed-motive, since the parties would have to engage in a cooperate behaviour in order to obtain this joint gain. The unique stages for integrative negotiation was information sharing, strategy, and setting goals. The strategies and mixed-motive nature was examined in relation to Power distance, Individualism/collectivism, high/low context, Guanxi, trust, personality and inequailty in amount of provided/sought information. This was based on previous research papers along with the cultural framework.

Along with the first part, this showed that it was insufficient only to examine culture in order to determine strategy, behaviour and outcome. The factors found to affect the integrative negotiation, based on the reviewed literature was: relation status, buyer/seller role, level of trust, both parties aspirations, reciprocity norms, and personality. This supports the notion of culture-in-context, which was introduced by Janosik, there states that culture has to be seen in context to other factors, and can not be used as a sole determinant for outcome, behaviour or strategy.
The qualitative study was a case study, where the participants was 3 people, 2 from Denmark and 1 from Sweden (a Danish participant withdrew in the last minute), who were all used to negotiate with Chinese business partners. The selection criteria was nationality and previous experience, which was argued based on the problem statement and the complexity of integrative negotiation. The explorative research design was chosen because of the aim of the study, which was to investigate culture and negotiation in the context of Danish and Chinese interaction. The interview style was semi-standardized in order to keep options open for discovering new knowledge brought by the interviewees. There were some problems with validity, which will affect the application of the research along with future research. This concerned both internal and external, and supports the need for future research.

The findings of the qualitative study mainly concerned cultural differences. The elements regarding integrative negotiation were difficult to uncover, both because the interviewees were unsure how and if they had ever achieved such an outcome, and because the complex nature of integrative outcome made it hard to investigate. The elements covered by the study was information sharing, Guanxi, Face, Power distance and communication challenges.

The conclusion was that the integrative negotiation is affected by culture, but this cannot be used as a sole factor when investigating strategy, behaviour and outcome. Several different aspects influence both process and outcome, but how these are related could be very hard to investigate and determine.
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1 - Introduction

The trade between Denmark and China has been rapidly increasing during the last years. Today China ranks as the 10th country, to whom we export most, and as number 4 in the list from where we import most goods (Statistikbanken, appendix 1). Thereby China is not only a favourable market to place a production facility, but also a market for exporting Danish goods. One of the reasons behind this rapid increase in the trade between Denmark and China, is the paradigm shift of international business, which has resulted in lower risks, a higher growth in the economy than the developed countries, and an economic liberalization (Cavusgil, Ghauri & Agarwall 2002). All of these factors have helped in making the access to China, characterized by as an emerging market, easier to access and more attractive.

Research so far has illustrated that intercultural negotiations are more complex, both in respect to process and the outcome is not always as favourable as intracultural outcomes (Brett 2007). Hence the increasing importance of China as a trading partner, it would be favourable to investigate what factors there influences both process and outcome in order to achieve more favourable outcomes.

The focus will be on investigating how cultural differences affect the integrative negotiation. This form has been described as a win-win negotiation, where parties have the opportunity of realising a potential joint gain (Thompson 2009). The research conducted within this area has focused on general trends, and not on the specific case of Denmark and China. It will therefore be the cultural differences between these cultures there will form the basis of the study.

The cultural differences between China and Denmark are, according to the work of Hofstede, substantial. The Danish values are very different relative to the Chinese, and combined with the increased complexity, which cross-cultural encounters contain, this would be an interesting subject. An increased understanding of how these cultural differences affect the negotiation style could support Danish negotiators, in their negotiations with Chinese business partners, to achieve a better outcome. Culture as a phenomenon has been described from 2 different angles, where Hofstede applies a bipolar and static approach (Hofstede 2001), and Fang states that culture is constantly changing. These will form the basis of the cultural framework, which will be used to analyse the integrative negotiation.

The thesis will overall speaking be divided into 2 parts, the theoretical framework and a qualitative study. The theoretical framework will consist of both a review of culture as an independent entity, and afterwards it will be seen in context with the stages unique for integrative negotiation. The cultural values will be examined in relation to determine what influence they have on the different stages and processes. In the
qualitative study, this framework will form the basis for the study. It will be an explorative study, which will investigate if the proposed theory can be connected to the findings. This analysis will be based on pattern matching.

**Problem Statement**

An overall problem statement will be:

How do the cultural differences between Danish and Chinese business partners affect the stages unique for integrative negotiation?

Research questions:

- Can the Chinese culture be described by solely using Hofstede’s approach?
- What causes the biggest challenge when trying to reach an integrative outcome in cross-cultural negotiations?
- Are there any inconsistencies between the theoretically proposed behaviour and the behaviour experienced by Danish negotiators from their Chinese counterparts?
- Is the process towards reaching integrative outcomes too complex to be explained by theory?

**Limitations**

In relation to culture, this thesis will only focus on the work by Hofstede and Hall to enable a cross-cultural comparison, and an inside view of Chinese culture. The Danish culture will not be evaluated unless it serves to compare Danish and Chinese values, and these will only be based on Hofstede’s framework. Culture will be defined based on national level although this can provide some challenges and limitations because of large differences within China. The 3 participants in the qualitative study have mostly conducted business on the east coast, which could minimize these differences.

The part concerning negotiation will be focused on the integrative negotiation, and the stages unique for this type. This might only provide a limited understanding of the whole process, and this should be taken into consideration when considering the results. The rationale behind this is that it is very complex, and by including more areas this complexity would be more difficult to evaluate.
Structure

Firstly the theoretical foundation will be defined and explained. This will consist of Hofstede and Hall’s bipolar approach to culture. Afterwards Fang’s ocean approach to culture in form of dialectic thinking and Confucianism will be explained. These 2 approaches to and perceptions of culture will be compared.

Secondly the part about negotiation will contain a clarification of negotiation types, and introduction to the parts unique to integrative negotiation. These elements will be analysed in relation to the impact different cultural values have. This will be based on research papers and the theoretical part with both the emic and etic approach.

Lastly the qualitative study will form basis for the testing of the hypothesis, both raised by the problem statement, but also an evaluation of Hofstede’s claim of predictability and influence of culture. The basis for this discussion will be the study, to the extent it can provide insight to the research question. Finally the validity of the study will be discussed along with implications and areas for future research.

2 - Cultural framework and differences

One way of approaching differences in perception, behaviour and values between larger groups of people can be to examine if there are cultural differences. By doing so, it is accepted that there are some values, which are not unique for the individual, but instead there are common traits within a group. The size of the group can vary; but for the scope of this assignment, the national differences between these perceptions, behaviour and values will be examined. In order to do so, the work of Hofstede, Hall, and Fang will be applied, because they represent 2 different methods for explaining culture.

There are plenty of definitions of culture, but “Despite a century of efforts to define culture adequately, there was in the early 1990s no agreement among anthropologists regarding its nature” (Spencer-Oatey, Franklin 2009). Based on their interpretation, culture is visible and expressed through some different kinds of behaviour and attitudes. One’s own culture will affect the way others are perceived, which can be linked to the definition of unknown origin “Culture is the glasses/lens through which we see and interpret the world”.

Janosik (1987) presented 4 different ways of approaching culture; 2 of the approaches have been linked to negotiation. These include Culture as Shared Values and Culture in Context. These will be applied to form a more complex view upon the link culture and behaviour.
Emic and Etic Approach

In general, two overall distinctions between the perceptions of cultures have been made, the emic and the etic approach. The emic approach is concerned with the internal perspective of culture, and that cultures are not static. On the other hand, the etic approach is concerned with the ability to generalize and compare cultures; in this approach, cultures are seen as static and behavior can be predicted (Gudykunst, Kim 2003). The argument for the etic approach is that there will always be some common aspects or lines in all cultures, which can be compared even though they are unique as a whole (Hofstede 1984-1994).

For the scope of this project, both the etic and emic approach will be applied. The etic approach will consist of Hofstede and Hall’s approaches, and will enable the comparison between Denmark and China. Since China was not a part of Hofstede’s study from the beginning, the work of Fang will be applied in order to have a more in-depth knowledge of Chinese culture. This will also fill out a gap, which the etic approach leaves, because it only focuses on certain variables, hence Hofstede and Hall’s frameworks.

It can be argued that since the emic approach doesn’t apply certain variables as Hofstede’s approach does, it is more accurate because it focuses solely on the individual culture, and it does not try to find similarities and patterns, which may not always exist, or only to a very small degree. Another argument is that when a culture is defined, the focus is on the differences between 2 groups instead of the similarities (Jenkins 2003). By doing so, it is only the traits and values, which are present in other cultures, there will be defined. By focusing solely on heterogeneity, the characteristics of a culture will be constructed on the same variables in most cultures, and thereby it can be discussed if it differs significantly from the etic approach with relation to this aspect. However, since the etic approach only focuses on respectively 5 and 2 dimensions (Hofstede 1002; Hall 1989), this can provide a very limited perspective, and thus can further input provide a more complex understanding.

Hofstede’s cultural approach

Geert Hofstede is a Dutch professor, who has specialized in culture and cultural differences (Hofstede 2010). His study was based on IBM and its employees, and was first conducted among 40 countries. This has been expanded later, and it now contains information on 76 countries (Hofstede 2010). It should be noted that China was not a part of the first study, and the fifth dimension, Long-term orientation, was developed in cooperation with Michael Bond in 1991.
This consists of 5 different dimensions, which are present in all national cultures to a certain degree (Hofstede 2001). Cultures are connected to nations, and this results in a separation between cultures based on geography. The work has been criticized by
several sources (Baca et al 1999; Fang 2005), and these critique points will be taken into consideration in the limitations. An important issue when dealing with these dimensions and individual behaviour is, that the findings are central tendencies and therefore they cannot be used in order to predict individual behaviour entirely (Hofstede 2001).

Hofstede has defined culture as “The collective programming of the mind” (Hofstede 2001, P.1). By stating that culture is programming, it is implicit mentioned that it is not purely genetic, and thereby individuals are affected by their surroundings. This argument can also be applied in the argumentation in favour of differences between national cultures can be based on different surroundings/environments that affects each country individually. This programming consists of several elements that are all affected by values. “Values are the building blocks of culture” (Hofstede 1984-1994, P 21), and these form human behaviour. It is described as an onion, where different layers consist of separate elements.

Onion Model (Hofstede 2001)

Values are a “Broad tendency to prefer certain states of affairs over other” (Hofstede, 2001, P. 18). They determine the subjective definition of rationality and can therefore, to other cultures, seem very irrational although within the culture, they are perceived as perfectly rational. Brett (2007, P. 32) defines values as “a judgment of what is important in social interaction”. Hofstede claims that values can both have intensity (how relevant it is to the individual) along with direction (more can equal good and less can be perceived as worse) (Hofstede 2001). Based on these definitions, values can be explained to be the grounds/standards on which all external factors/impressions are
evaluated upon. This is both in relation to whether something is right or wrong, along with how a changing quantity can change the perception.

Rituals are defined as actions that members of the culture carry out. These keep the individual bound to the cultural community, which are the purpose of the rituals (Hofstede 2001). Based on this definition, rituals can be described as actions an individual performs in order to comply with social norms or to show affiliation with a certain culture.

Heroes are described as being characters, which possess traits the culture values highly, and thereby they serve as model figures (Hofstede 2001). These heroes varies between every culture, hence their different values, e.g. could a culture, who values personal achievement, see Bill Gates as a hero, because of his substantial wealth; another culture who values equality see Bill Gates as a hero because of his large involvement in humanitarian aid (Forbes 2012).

Symbols can be both words, pictures, gestures and objects, which represents a certain meaning only recognized by members of the specific culture (Hofstede 2001). These can be temporary and can change, both between cultures (one culture adopts another culture’s symbol) and within (old symbols looses their value) (Hofstede 2001). An example of this could be if a developing country adopts developed country’s status symbols for wealth.

The term practices cover rituals, heroes, and symbols, and how those notions are visible to a person from another culture. Hofstede claims that the actions are visible, but the meaning is not clear, because they are closely connected to values, which are not visible (2001). What can be discussed is, that one might be able to assign a cultural meaning to the practise, but the precise meaning requires insight to the values for the specific culture. An example of this could be a tribal in Africa, who wears golden rings around their neck. From a position outside the culture, one could imagine that they might indicate something, and have a meaning, but precisely which is difficult to interpret.

**Hofstede’s 5 Variables**

The foundation of his research is a bipolar diagram, where one dimension will be dominant (Hofstede 1984-1994). Each of these dimensions have fundamental values, which affect the preferred behaviour. The degree to which the dimension dominates, can be different, depending on what score the culture/country has been assigned according to Hofstede. It should be noted that the scores are all relative; the characteristics of a culture cannot be explained unless it is put relative to another culture (Hofstede 2010). The implications of this are, that a country like Denmark, which scores 74 in the IDV dimension, can be characterized as individualistic in
comparison to China, where this score is 20, but when comparing to the US, which scores 91, Denmark is still individualistic, but not as much as the US (Hofstede 2010).

One of the major critique points of Hofstede's work, is the national distinction of culture (Baca et al 1999), which implies that all inhabitants of a certain country shares the same culture. Hofstede (1984-1994) does note this, and clarify that members can deviate, but overall speaking, the collective programming is the most influential (Hofstede 1984-1994).

**Power Distance (PDI)**

This variable explains to which degree an unequal distribution of power is accepted (Hofstede 2010). In cultures, which score high on this scale, an unequal distribution of power will be tolerated and accepted to a higher degree than cultures with a lower score on this variable. When examining the impact on an organization, this will affect the organizational design. A relatively high PD compared to others, will have a more vertical structure, and there will be a larger emphasis on following the superior employees decision instead of critical reflection and doing what the subordinates consider right. In the event of a low PD, the organizational structure will be more horizontal and the distance between subordinate and superior is smaller compared to a high PD (Adler 2007).

**Individualism vs. Collectivism (IDV)**

This variable encompasses the differences between the perceptions of group vs. individual. Hofstede defines it as “*The degree of interdependence a society maintains among its members*” (Hofstede 2010). Cultures which scores high on this variable, will be less interdependent and will focus more on own wants and needs over the group's wants and needs. Another explanation of this variable is provided by Adler, where it is stated that people in individualistic cultures primarily define themselves as separate individuals and make their primary commitments to themselves (2007). Another tendency within this dimension is the perception of relationships. Members of collectivistic cultures will focus more on building relationships, and have fewer ingroups (characterized by being important to members, and members will make sacrifices for other ingroup-members (Triandis 1988)). The relationships between members are tighter, and they affect behaviour in a wider scope of situations in relation to individualistic ingroups, which are often very specific.

Waterman (1984) provides another approach to this dimension. He states that in individualistic cultures, each individual is assigned unique talents, and the most important purpose is to realize these potentials. This promotion of self-realization contrasts with the view in collectivistic cultures; here the focus is on collectivity,
harmony and cooperation, and the individual should fit into their group, self-realization will be a 2nd priority.

The red line going through all of these definitions is whether the individuals’ identity should be seen as unique, or if it is a part of a bigger picture. In addition to this, whose goals should one pursue? It is most important to be in harmony with one self or should the results benefit the whole group and not just the individual? Cultures scoring high in the IDV scale, will believe that each person is unique, and will put their own needs first to a certain extent (Hofstede 2010).

**Masculinity vs. Femininity (MAS)**

This variable explains what traits are valued. In masculine cultures authority, performances and success is valued highly. Society is competitive and rewards are often material (Hofstede 2010). Higher job stress and greater value differences between men and women are accepted. Recognition and challenges are viewed as a motivational factor to their job (Gudykunst, Kim 2003).

In feminine cultures work/life balance is important. Society is more consensus-oriented, relationships are highly valued, and empathy plays an important role in the workplace (Jones 2007). A high score on this scale indicates more masculine traits.

**Uncertainty Avoidance (UAI)**

In Hofstede’s framework UAV explains to which degree members of a culture will accept and be comfortable with uncertainty and ambiguity (Hofstede 2010). Cultures scoring a high value, will have a tendency towards planning and having routines to a large extent, whereas a low UAI will be more relaxed and unstressed by uncertainty.

In organizational level this variable affects risks taking, instructions, and consensus seeking (Gudykunst, Kim 2003). An important point Hofstede makes in his work from 1991 is that this variable is not equal to risk-taking, which indicates that members from a high UAI culture can also take high risks in order to reduce ambiguity, the difference between the 2 dimensions will often be how structured their approach to risk-taking is (Hofstede 1991).

**Long Term vs. Short Term Orientation**

Originally Hofstede’s framework consisted of 4 dimensions, but in order to encompass the Asian culture, a 5th dimension was researched and explained in cooperation with Michael Bond (Gudykunst, Kim 2003). The research was based on Confucian dynamics, where employee’s work ethics and respect for tradition was investigated (Adler 2007).

In cultures, which have a tendency towards LTO, the perseverance and thrift is valued highly, and so are the efforts towards attaining future rewards (Hofstede 2001).
cultures with a short-term orientation, the focus is on the immediate future, and the results of investments/effort should be visible relatively quickly.

**Hall’s dimensions**

These dimensions belong within the etic framework as well. Hall also created a bipolar approach to cultural differences, where 2 of the dimensions will be applied.

**High context vs. Low context**
This dimension can be argued to have the biggest impact on negotiations, since it describes 2 different styles of communication. The main difference is how much information is implicit vs. explicit. In high context (HC) cultures, much of the information is implicit which requires strong information networks. In these cultures, members keep themselves updated and informed about their network (Hall 1989). On the contrary is LC-cultures, where a greater part of the communication is explicit, and the need for context is much lower. Hall argues that members compartmentalize their lives into different boxes, and they do not spend much time on updating themselves.

From an organizational perspective, the structure of the information sharing is different in the 2 approaches. The flows of information are much more freely and widely distributed in HC-cultures, whereas LC-cultures mostly acquire information by directly asking for it. Besides this flows of information, the differences in information needed to make a decision are also different. In HC-cultures, the amount is much more extensive, and they often need to put the pieces together themselves in order to acquire ‘the whole picture’; whereas LC-cultures are more comfortable with using less information, which they acquire from another source.

It is important to notice that these distinctions are not ultimate, a member from a LC-culture can also engage in HC-communication. This often happens when communicating with a close in-group, e.g. one’s family, where a lot of the information is shared.

**Polychronic vs. Monochronic**

What approach does a culture have towards time and how is the relationship between time and relations? Hall divides cultures into 2, monochronic and polychronic cultures, which he connects with his dimension HC and LC. Monochronic is connected to LC and polychronic relates to HC. Another definition of time perception is presented by Kaufman-Scarborough and Lindquist, who states that time in polychronic culture are smooth and continuous, whereas monochronoc cultures views it as structured and purposive (Kaufman-Scarborough, Lindquist 1999). Multitasking is frequent in PC-cultures, and flexibility, both in relation to tasks, plans and time, is valued. Relationship status have an impact on promptness and building long relationships are valued highly (Hall 1989).
In MC-cultures the approach to time is less flexible. Appointments and deadlines are greatly enforced, and plans are followed religiously (Hall 1989). When solving tasks, they are dealt with individually, and one task is solved before the start of the next one.

Besides dealing with the approach to time, this dimension also describes common traits in a culture when it comes to relationships between time & people, problem-solving, and working environment. Connected to the High and Low context communication style, a picture of a much more loose structured environment in HC+PC cultures is found, whereas structure and formality is more common in LC+MC cultures.

**Denmark and Chinese culture – Based on Hofstede and Hall**

![Hofstede 2010 - National Cultures](image)

When connecting the characteristics assigned to the different dimensions, a rough idea about the Danish and Chinese culture can be made. As stressed earlier, these values only makes sense relative to another value, and based on this, the focus will lie on where the biggest differences between Denmark and China are. This is argued based on Jenkins (2003) that we define ourself based on the differences between ‘us’ and ‘them’. This diagram can be used in order to predict where misunderstandings, and – communications can appear, hence the argument that intercultural interaction is more challenging than intracultural interaction (Adler 2007). These areas will be discussed in relation to their relevance for integrative negotiation.
In relation to Hall’s dimensions, cultures has not been assigned numbers. Denmark and China represents opposite poles in both high- and low-context (China: high, Denmark: low) (Mühlbacher, Dahringer & Leihs 2006) In relation to poly- and monochronic approach, Denmark is characterized by having a monochronic approach to time and relations, whereas China applies a polychronic approach (Mühlbacher, Dahringer & Leihs 2006). Therefore can both dimensions be seen as sources of misunderstandings and misinterpretations.

Discussion regarding use and limitations of Hofstede’s work

Overall 3 major critique points has been made: the data collection method and representativeness of the data, along with the view on culture (Baca et al, 1999; McSweeney 2002; Fang 2005). These will be discussed and based on this, the application and relevance of Hofstede will be examined.

Hofstede’s model is based on a quantitative survey among IBM employees, where the data has been collected during several rounds (Hofstede 2001). Since the research method is quantitative, the restrictions for quantitative research will also apply to Hofstede’s work. One of the pillars in quantitative research is the discussion concerning representativeness of the sample size. If the sample size is not representative, then the results cannot be trusted (Keller 2009). In the example of Hofstede, it can be argued that the sample size might be representative for IBM employees all over the world, and therefore the dimensions can be used within the IBM for predicting behaviour. Hofstede (2001) explains that the samples are not perfect, there are requirements in relation to hiring procedure. He kept organization and area of business (sales and marketing employees were primarily used for the survey (McSweeney 2002)) constant variables, and based on this, he states that the only variable which could account for differences was therefore national culture itself (Hofstede 1991). However, a discussion regarding if IBM employees are representative for a whole culture (and nation), can be made. McSweeney (2002) argues that since the study was only conducted within the
workplace, it is questionable if this represents all values, or if the individual has other values outside the office? An example given by McSweeney is the PD, where a high PD at the workplace, might not necessarily equal a large distance between family generations. Furthermore the organization was American, and some of the values might be implemented from the HQ (eg. a very hierarchical organization – high PD), or at least affected from the HQ in the US, which could give a wrong indication of the values in other offices, not affected by IBM or another foreign organization.

Are cultures, and the values they build upon, stable? This is a crucial assumption in Hofstede’s framework, as it influences the whole validity of his research. Since the data was collected during several rounds, the first during 1967-1973, a new survey in the 1980’s with Bond (Hofstede 2001), and in the 2009 edition of his work, the survey contains data from 76 countries (Hofstede 2010). If cultures are not stable, then the difference in collection period will have a large effect, as one would end up comparing one culture from 1967-1973 with another one from the end of the 20th century. The implications of doing so is that the result is no longer valid, and therefore of no use because of its lack of representativeness. An example of a problematic area of Hofstede’s framework is Hong Kong. Until 1842 Hong Kong was a part of the PRC, but after the 1st Opium war, it was handed over to the United Kingdom, and was a part of the British colonies until 1997, where it was assigned back to China (Danish Foreign Ministry in China ). If Hofstede’s assumption about stable values and homogeneity within a country, then Hong Kong and China should be assigned the same values in his framework. They do not have the exact same values, but are relatively similar compared to the UK (Hofstede 2010). This example can be argued to violate his assumptions, and thereby question both the stability of values and homogeneity, since China and Hong Kong has been joined until 1842.

The dimensions, which are the building blocks of Hofstede’s approach, can be argued to be inadequate in order to predict behaviour. An example is the 5th dimension, LTO, there was developed in cooperation with Bond in order to encompass the dynamics of South-East Asia (Hofstede 2001). The complex nature of Chinese culture, which only has been described partly in this thesis by the introduction of Confucian elements, can be used in order to illustrate the simplicity of Hofstede’s model. One difference between the Chinese culture that Hofstede describes and the dialectic approach is the both-and, which Fang (2005) argues. The presence of both poles in Hofstede’s approach is possible, but one will always be dominant (Hofstede 2001). This violates with the dialectic approach, which states that they are both of equal size, hence the Yin-Yang symbol. Another example of dialectics in culture can be the Danish culture, which Hofstede has assigned a relatively high score on the individualism dimension (Hofstede 2010), however Denmark is the country in the world with the largest welfare system and redistribution of income (The Copenhagen Post 2008), which can be seen as indicators of collectivism because of its favouritism of harmony. Another indication of
this simplicity is the production of a 6th dimension labelled Indulgence vs. Restraint (Hofstede 2010), which has been introduced in order to encompass more cultural traits.

Baca et al (1999) has experienced that Hofstede’s work is used, but not analysed throughout, and without taking the science of philosophy underlining the results, and the explanations and limitations Hofstede pointed out, into consideration. This is relevant because it illustrates some of the pitfalls and what to be cautious about when applying Hofstede’s framework. Baca et al. (1999) states that Hofstede has been used without consideration, and that nationality has been equalled with national culture with no limitations. This is a critique of the students using Hofstede’s work with a lack of knowledge when it comes to limitations. The limitations or considerations, which Hofstede (2001) points out are: a person consists of universal, cultural and individual mental programming, hence exhibit 1.1 (Hofstede 2001; P. 3). A characteristic assigned to the individual programming is that this programming is unique, and thereby are parts of the mental programming not predictable based solely on culture. Another model (exhibit 1.7, P 25) suggests that there is an overlap between cultures, and thereby can a person from culture A have the same tendency as a member from culture B (eg low and high PD). Furthermore it is pointed out that the scores are mean scores, and it is rare that a member of a certain culture has the exact same scores as the cultural mean (Hofstede 2001). The implications of this cannot be assigned to Hofstede’s work, but instead to incorrect use of the work. Baca et al. (1999) claims this happens because of its simplicity and clarity in relation to applying the framework, mainly caused by the use of national borders as separators for culture. As an overall conclusion to this, it can be discussed that an incorrect or inadequate use of his analysis, cannot be assigned to a critique of his work, but rather the people who uses this. However, Hofstede has claimed that culture can be used in order to predict behaviour, and that it is stable, and in that context, critique of his work can be justified. Furthermore it can be argued, that the strength of his work lies within this simplicity, and that can be seen as a reason for why his work has received so much attention.

**Chinese Culture**

Since China was not included in the first study Hofstede conducted (Hofstede 2001), it can be argued that Hofstede’s framework is of limited use when analysing Chinese culture. This is based on the argument that Chinese (Eastern) culture differs significantly from Western culture (Hofstede 2001). Hence the discussion regarding the 2 different perceptions and research methods of culture, emic and etic, the emic approach will be applied in order to get an overview of the Chinese culture from an internal view. This will be used in order to supply the information that the etic view contributes with. In that way, the emic perception supplements the etic approach to culture, and a more fulfilling picture can be acquired. For the framework of Chinese culture, certain elements will be described; these are Yin-Yang approach, and elements of the Confucian dynamics.
**Yin-Yang approach**

This has been chosen since it represents another approach to dimensions within the culture than the one presented by Hofstede. Gannon (2004) argues that in order to understand Chinese culture, these paradoxes are essential. Yin-Yang is a symbol consisting of 2 opposites, and instead of viewing culture as either-or (like Hofstede's bipolar paradigm), Yin-Yang views culture as both-and (Fang 2005), which contradicts to the view of one pole being dominant.

The 2 parts of the Yin-Yang circle represents different values; Yin represents female elements and Yang represents male elements (Fang 2005). The paradox, which Fang argues is always present in dialectic thinking, is that neither Yin can exist without Yang and the other way around. When transferring this to Hofstede’s framework, Fang implies that all the dimensions will foster the opposite (a very collectivistic society will foster individual tendencies). This is problematic when trying to predict behaviour and values based on Hofstede’s framework, since Chinese culture encompasses the opposite as well, and this can affect behaviour.

Fang (2005) argues that values and behaviours are affected by situation, context and time, which can be linked to Jasonik’s proposal of Culture-in-Context. The main obstacle by accepting these variations within a culture, in relation to Hofstede, is that the predictability and values assigned can be questioned.

**Confucian Dynamics**

Confucian dynamics have influenced the Chinese society for more than 2500 years (Fang 2006). It consists of 6 different elements/values, which are: Moral cultivation, importance of interpersonal relationships, family orientation, respect for age and hierarchy, avoidance of conflict and need for harmony, and the concept of face (Fang 2006). In relation to negotiation interpersonal relationships, and the concept of face will be discussed further because of their direct effect. The notion of respect for age and hierarchy can be connected to both Hofstede’s PD dimension along with Guanxi, which will be discussed later.

Overall Dunning and Kim (2007) states that Confucianism is about the individual in relation to the community, where “*An individual is first and foremost a relational being and part of a communitarian social system*” (P. 330). Hofstede regards Confucianism as a pragmatic guide to everyday life (2001), which is the base for the 5th dimension of his framework.
Guanxi

Guanxi is a part of Confucianism, which is concerned by interpersonal relationships outside one’s immediate family (Wilson, Brennan 2010). It has been argued by Child (Child 1994), to be one of the most dominant factors, when doing business in China. When trying to relate this to Hofstede's dimensions, the closest connection could be the collectivistic, Long-term orientation and Power Distance dimension, where it can be argued to connect to the in-group and hierarchical features of Guanxi, along with a longer time perspective. However, this distinction can be debated to only cover a limited aspect of Guanxi, and connected with the importance in order to achieve success in business, the notion Guanxi will be explored.

Hofstede (1984-1994) argues that collectivistic cultures have few in-groups with very strong ties, and that reciprocity of favours is a normal custom. Furthermore a preference for in-group members over others is seen in other connections, e.g. hiring and cooperation (Hofstede 2001).

According to (Abramson, Ai 1997), Guanxi can take be applied to two different purposes: To obtain resources and advantages, or exchange of favours/purchase of influence. This is acquired through a web of personal connections, relationships and obligations between business partners. Wilson and Brennan also argue that an important part is that a person within one's Guanxi network should be an influential governmental official (2010). Guanxi thereby expands the scope of collectivism according to Hofstede, because it concerns who the members of a personal network are, and not only if they are members. More over, a study from Dunning and Kim (Dunning, Kim 2007), connects Guanxi to Hofstede’s dimension of Power Distance; where Guanxi can link 2 people with different status together. The connection to Hofstede, is that the difference in status is accepted and embraced, because the low status will receive a favour from a high status, and in return face is given to high status (Dunning, Kim 2007). Hofstede does not describe this reciprocity, but his work stresses the acceptance of unequal distribution of power (Hofstede 1984-1994), which can be argued to be a prerequisite for the exchange of favours and face. The notion and importance of face will be elaborated in the next section.

In the debate regarding if Guanxi is unique, and only present in Chinese culture, Wilson and Brennan (2010) connects Guanxi to social capital. Portes defines social capital as “the ability of actors to secure benefits by virtue of membership in social networks or other social structures” (P. 300 in Portes 1998). The main difference between the 2 concepts can be claimed to be when it is created and its influence on dealing with new business partners. Guanxi is a prerequisite (Dunning, Kim 2007) for doing business, and must therefore be established before the parties engage in negotiations or cooperations. Social capital is evolved over time and through exchange, and has been argued to
strengthen the relationship between business partners (and people in general), but it is not a prerequisite for doing business (Kostova, Roth 2003).

What implications can this prerequisite for business, which Guanxi can be characterized as being, have? It cannot be established over night, and therefore the time span for business negotiations (and other forms of business) could be longer in China compared to cultures where this is not required. Furthermore it emphasizes people and connections over businesses, and stresses the importance of having relations, because Guanxi can be transferred between people (Dunning, Kim 2007).

**Face**

The concept of face is a part of the Confucian dynamics (Fang 2005). It symbolizes status and prestige, and can compared to a commodity (Woo, Prud’homme 1999). One of the biggest taboos in Chinese culture, is to loose face, which can be partly explained by the high PD. Face can both be given and lost as a result of a social interaction, and is affected by own and others behaviour (Goffman 2003). According to Gudykunst (2005) it is the cultural background, which determines the importance of face. Ting-Toomey (1988) distinguishes between IDV and COL cultures in the protection of face, where IDV will have a high concern for own face, and COL will have a high concern for others face. The preferred communication style can be connected to face-work, where the COL prefers a high-context style (Hofstede 2001), since the indirect communication style is more sensitive towards preserving one’s own face and the counterparts face (Gudykunst 2005). The appropriate behaviour in order to protect face is, according to Katz (2008) determined by both culture and context; this can therefore vary according to situation, which can make it difficult in cross-cultural interactions if the parties lack knowledge of the counterpart’s cultural background.

A dual-concern model for facework is presented by Gudykunst (2005), where the negotiators can have either high or low concern for the both own and counterparts face. In the example of Denmark and China, it can be argued that Denmark has a low concern for others face, hence the IDV values, whereas China has a high concern for both others face, hence the IDV culture, but also for one’s own face because of the culturally embedded notion of ‘shame’ (Woo, Prud’homme 1999). The Chinese will apply a mutual face-protection theory (model P. 77 in Gudykunst 2005), and the Danish counterpart would apply a self-face defence. However, Woo and Prud’homme (1999) states that the notion of shame is so deeply embedded in Chinese culture, that a person interacting with Chinese citizens, should always apply, what is referred to as mutual-face protection by the model, since the loss of face could damage the relationship between the 2 parties.
A Chinese negotiator will represent the face of the company (Woo, Prud'homme 1999), and a potential loss of face will therefore be a loss of status for the entire company. In high PD cultures, status will assign more face to a person, and consequently a manager will have more face than a subordinate (Goffman 1972). The manager will have more face relative to his subordinate, but less face relative to the CEO.

In a negotiation context, the protection of face can influence the whole communication process. The ‘Chinese Yes’ might not mean ‘yes’, but is instead a no, if the request could cause loss of face of the sender (Woo, Prud'homme 1999). This happens as a result of indirect communication, where cultural context suggests that this is not possible (eg. overstepping one’s hierarchy), and thereby the context would explain that it is not possible. If ignorant or lacking of knowledge, then this might not be correctly understood. This can be linked to Adler's model for cross-cultural communication (2007).

It should be noted that the dialectic thinking influences the notion face as well. Fang (2006) states that as concerned a Chinese negotiator can be of protecting own and counterpart’s face, as ‘face-less’ can the negotiator be. This can be seen in connection to the Sun Tzu-like strategist, which a negotiator can experience when no relation has been made. If a negotiator is ‘face-less’ he/she will not be concerned by the counterparts or own face, which can trigger very competitive values and actions (Fang 2006).

To sum up face is a product of social interaction; it is relative and does therefore only make sense within its context.

**The Chinese Profile**

When comparing the Confucian and Yin-Yang approach to Hofstede’s 5 dimensions, several similarities can be found. Since China was not a part of the first study (Hofstede 2001) this suggests that some of the values are not unique to the culture. Gudykunst (2005) states that face is an important factor in all cultures, but Woo and Prud’homme (1999) claims that the deeply embedded notion of shame within the Chinese culture, makes it particularly important for the Chinese culture. Another example is Guanxi, where Hofstede’s dimension of COL (Hofstede 2001) values in-groups, PD values hierarchy, and the dimension LTO employ’s the time perspective of Guanxi. It can be argued that the Confucian notions are more complex than Hofstede's dimensions, and they should therefore be examined throughout in order to understand the Chinese culture, solely focusing on Hofstede’s model would be insufficient, and could therefore cause incorrect behaviour prediction.
Culture as Shared Value (CASV)

Is it possible to predict behaviour based solely on culture? (Janosik 1987) argues that there are 4 different ways to interpret culture and its affect on behaviour. 1 of the approaches is Culture as Shared Values, which can be related to Hofstede's approach to culture. Both approaches assign controlling values/concepts to the culture, and uses this to predict value (Janosik 1987) In the example of Hofstede, these values are explained by his onion model and 5 dimensions, where one value of the bipolar dimension will dominate (Hofstede 1984-1994).

Culture in context approach (CIC)

Culture-In-Context, defined by Janosik (1987) is relevant because it represents a view on behaviour in negotiation, which is not only affected by culture, but also personality, context and experience. It thereby contrasts with the view of CASV, and as a result it can be discussed if behaviour is easily predicted? This approach suggests that several aspects besides culture should be taken into consideration as well. Arguments that supports this notion are presented by Drake (2001), where role is an important element affecting behaviour in relation to information sharing. Since the results found better indicators for prediction of behaviour than culture, it questions the CASV approach.

What approach should be used? It can be argued that the view of CASV supports parts of CIC, in the sense that CIC does not disregard shared values as an origin of culture, it merely states that it should be seen in context of experience, role, personality and organizational culture; also referred to as contextual restraints (Drake 2001). CIC still emphasizes the ability to predict behaviour, but based on multiple factors, this can make it difficult to investigate how each factor affect the situation, and thus predict an outcome.

3 - Intercultural Communication

Fisher and Ury (1981 1992) defined negotiation as a way of communicating, and Varner & Beamer (2005) described it as a special communication task. In that relation, it could provide some general insight to cross-cultural negotiations by first looking at a cross-cultural communication model. An overview of how culture affects communication will be presented as a starting point before concepts specifically related to negotiation is examined. Adler (2007) argues that the sent message from one part is not always the message, which the counterpart receives. Thereby it can be discussed if miscommunication can cause negotiation failure, eg. in the form of illusionary conflicts.
For the scope of this project, only 2 models will be discussed, since the focus is on negotiation.

The background for these misinterpretations can be discussed by using other models, which examines what elements there affect the sent message.

A model by Gudykunst and Kim (2003) describes communication with strangers as a process, where the message passes through 3 filters, before the message is transmitted and interpreted. This model is related to the work of Hofstede, because the focus is on dimensions there explains similarities and differences, and thereby can Hofstede's dimensions be applied in the interpretation of the model.

The filters (cultural, sociocultural and psychocultural) all represent different layers, which affect both the interpretation of the received message and the transmission of the sent message. Each of the filters represent an ordering, which is different. For personal ordering it refers to personality, the psychological processes within the individual;
social ordering refers to the stable patterns of behaviour, which are a result of ongoing relationships; and the cultural ordering refers to shared symbolic and ideas connected to the social ordering (Gudykunst, Kim 2003). These are referred to as dimensions within Hofstede’s framework.

In relation to negotiation this model can be used in order to explain some of the misunderstandings, there can lead to an unsuccessful outcome, both in form of no agreement reached, but also in the failure to realise potential for joint gain. Gudykunst and Kim (2003) describe communication as an on-going process, and the interpretation forms the grounds on which a new message is transmitted. Cultural differences, e.g. in the form of different perceptions of power, can affect the receivers interpretation of the message. An example could be a low PD culture, which would select negotiation partners primarily on skills and knowledge of the current elements, will send the person most knowledgeable, and not necessarily with a high status within the company, whereas a company from a high PD culture, would send someone with a high status (Hofstede 2001). Because the model concerns not only verbal communication, but also non-verbal (actions and symbolic) (Gudykunst, Kim 2003), this will also be taken into consideration, and therefore the, in the high PD culture, lack of status of the negotiator, could be seen as lack of concern and respect for the negotiation. Furthermore illusionary conflicts can also be a result of this process.

Another element is that the interpretation of the received message forms the background for the transmitted message (Gudykunst, Kim 2003). The implications of this can be that if the message is interpreted in another way than the sender had, which Adler’s model argues that it does, this incorrect interpretation could lead to further misunderstandings because the message the receiver will return to the original sender, is based on an incorrect or different message than intended.

Further examination and argumentation, both of this model and other, can be made. The important point, as made by Adler (2007), states that the intended message is not always the one as the counterpart receives. This is explained based on Gudykunst and Kim’s model, where culture, role, and personality influences the interpretation. When relating this to negotiation, it should be seen in context to both behaviour and verbal communication, since misinterpretations can be caused by both behaviour and verbal communication, as explained by the model. It can therefore be seen as a source of misunderstandings, and negotiation failure.


4 - Negotiation

Negotiation is a big part of our everyday life (Lewicki, Barry & Saunders 2011), Ghauri describes it as a “basic human activity” (Ghauri, Usunier 2003). People start negotiating as soon as they are born, some are non-verbal and others verbal. Both the negotiation outcome and incentive can differ and take many forms. Lewicki, Barry and Saunders (2011), expands the background for negotiating to 3 reasons/areas: Firstly because there is a need to share or divide a limited resource, and that 2 or more parties has to agree; secondly it can be in order to create something new that neither part could do on its own; and lastly it could be to solve a problem or dispute between 2 or more parties (2011, P. 2).

Both Adler and Brett (2007; 2007) define negotiation as a process. Adler defines it as a process “in which at least 2 parties with different needs and viewpoint try to reach an agreement on matters of mutual interest” (P. 226). Brett (2007) defines negotiation as a process, where parties with conflicting interests determine how resources are allocated or how a future cooperation should be.

Negotiation Types

There are different types of negotiations: the distributive, the integrative and dispute resolution (Brett 2007), which all have different characteristics. The major difference between distributive, integrative and dispute resolution is whether a previous deal/contract exists. A dispute is defined as being a rejected claim (Brett 2007), and is therefore separate from distributive and integrative negotiation, since a previous agreement, which has been violated, is present. For the scope of this assignment, it will not be elaborated further.

The distributive and integrative negotiation is different in its outcome and structure. The distributive is concerned with 1 item, and is often referred to as a “win-lose” negotiation, because it is a fixed pie, where the objective is to claim as much value as possible (Thompson 2009). An example could be the sale of a car, the buyer wants to pay as little as possible whereas the seller wants to achieve as high a sales price as possible. They both have the same interest, to buy/sell a car. The integrative negotiation is different because several elements are involved, and thereby the pie is expanded. This type of negotiation is referred to as “win-win” by Thompson (2009), because by engaging in this type, both parties can realize a potential joint gain. An example of this type of deal could be the sale of a car, but instead of just selling/buying a car, the 2 parties negotiate about a stereo, extra tyres for the winter season, insurance and so forth. By doing so, the seller gets a bigger sale, might sell the yellow car which is hard to sell, and makes more money, and the buyer can get more value for his money, and get the yellow car which he would like. This example illustrates how more value is created through sharing information.
The Nature of a Negotiation Process

There is interdependence between the parties, where they both need each other in order to achieve a goal (Lewicki, Barry & Saunders 2011). If the parties are independent, they don’t need to negotiate, since they can achieve their goal without interacting with a counterpart. The interdependence is present in all integrative negotiations, since it is only when parties collaborate that they expand the pie and create a potential joint gain; the pie cannot be expanded unless both parties makes an effort in doing so (Brett 2007).

The Integrative Negotiation

As mentioned before, the integrative negotiation is often referred to as a win-win negotiation, where parties have the possibility to create a joint gain by negotiating on several elements at one time instead of settling them individually (Lewicki, Barry & Saunders 2011; Brett 2007; Thompson 2009). According to Fisher and Ury (1981 1992) the integrative outcome should be pursued if both subject and relation are important for the parties. In this relation, the integrative negotiation will create a relation to the counterpart along with a better outcome. This doesn’t contradict completely with the view presented by Thompson (2009) that an integrative negotiation will expand the pie, and create a greater joint gain, because it can be argued that the greater joint gain can include the creation of a relationship along with a potential better outcome in relation to the subject. However, Thompson (2009) states that the parties can leverage mutual interests in the integrative negotiation, but if a party is not interested in a relationship with the counterparty, then this doesn’t create a joint gain for both parties. Another aspect is whether it is possible to create an integrative outcome without establishing some kind of relationship. This has to be seen in context with the element of information sharing, and the required level of trust.

The integrative negotiation is a mixed-motive affair; on one hand it can be favourable for both parties to engage in strategies and tactics towards expanding the pie, and thereby creating more joint gain, and on the other hand each party would like to claim as much value as possible (Weingart et al. 1990). In order to expand this pie, parties would have to engage in some cooperative behaviour during the search for compatible interests. This can seem contradictory in the light that negotiation is often seen as bargaining, which focuses on claiming as much interest as possible (Thompson 2009).

This joint gain is also referred to as ‘enlarging the pie’. Thompson claims that value is often ‘left on the table’ because the parties are not prepared/skilled for the challenges (2009). A possible explanation as to why this happens is provided by the cross-cultural communication model by Adler (2007). These misunderstandings, as a result of
difference between the intended and the received message, can cause illusionary conflicts. The difference in the cultural values can also provide challenges in finding goals, behaviour and perception of elements.

When comparing the effect, which cultural differences can have on a negotiation, it can be argued that it is difficult to evaluate the impact on the integrative negotiation, because it is more complex by nature. The arguments supporting this claim, is that in a distributive negotiation parties ‘only’ have to split the pie, and not necessarily cooperate. Furthermore the level of trust needed and the communication style for information sharing is affected by culture (Brett 2007; Thompson 2009).

How to engage in integrative bargaining?

Not only would it be favourable for each party to reach an agreement, which both parties are pleased about, but it could also put one in a better position than a distributive outcome could because the pie is expanded. But how is this done? Because of the mixed-motive nature of the negotiation, it can be difficult to manoeuvre in this negotiation type.

Brett argues that there are several reasons why integrative bargaining is not successful or the potential is not fully exploited. These concern the negotiator’s belief that there is no further value; because they don’t know how to identify the value; or because they fail to make the necessary information sharing in order to create more value (2007). Thompson argues that the most common mistakes are “illusionary conflicts”, which means that the parties thinks their interests are not compatible; and “Fixed-pie perceptions” meaning that one’s gain will be the others loss (2009, Pp. 81-82).

Both Brett and Thompson agree on the wrong perception of mutual interests. This is supported by an article by Thompson (1989), which states that there is no empirical evidence for supporting the lack of information sharing as a factor, in the sense that the parties start out with sharing information. Instead the wrong perception of mutual interests “illusionary conflicts”, was the main reason why the potential was not fully exploited or realized. One way of arguing could be that if the parties thinks their interests are incompatible, then they might not make a big enough effort in the information sharing. Thereby it can be stated that the belief of compatible interests is a prerequisite for integrative negotiation.

What can be argued, based on the previous section, to be most important is the belief that there could compatible interests. Without this, none of the strategies towards expanding the pie and creating joint gain will be fruitful. When it comes to information sharing, the research Weingart et al. provided showed that information sharing was related to outcome (1990).
Lewicki, Barry and Saunders (2011) describe 6 elements that facilitate successful integrative negotiations. These will be combined with cultural values from Hofstede's framework in order to investigate where the biggest challenges in cross-cultural integrative negotiation lie. Not all the elements will be investigated, only the ones where cross-cultural interaction can be argued to make a difference. Besides information sharing, trust, and clear communication, the importance of finding mutual goals is stressed.

**Common Goal or Objective**

This refers to finding goals that both parties will work towards; these can take 3 forms: the common, shared and the joint goal. This is different from the distributive negotiation because the expanding of the pie, would have to be seen in relation to the overall goal. The existence of mutual interests would have to be seen in relation to this goal, and it is therefore only interests concerning these goals that are of importance.

In relation to finding a common goal, both parties share equally, several cultural factors can complicate this process. Especially the IDV/COL along with the LTO factor can be argued to influence this process. The focus on own interests in IDV cultures (Hofstede 2001) can cause problems with the concern for the whole group in COL cultures. Thereby a disagreement on what overall goal should be achieved can prove difficult. Cultures valuing short-term orientation have a short time-span in which the investment should be profitable (Hofstede 2001), whereas LTO cultures have longer time frame. In relation to the Chinese perception of Guanxi, this can be argued to both influence the time perspective, but also whether the overall goal is the relation itself or the possibilities an established relation can create. Where both parties could agree (DK and China), could be if the relationship is seen as a mean in order to achieve future deals. This would move the focus for the common goal back on the current deal, and the relation is therefore I prerequisite for achieving this goal.

In relation to negotiations between parties with different hierarchical status, Guanxi suggests that these can differ in economic outcome for both parties, where face will be traded as a commodity to the high-status party of the negotiator. By comparing this to the framework, it is characterized as a shared goal because it benefits both parties differently.

**Information Sharing**

Information sharing can be characterized as the exchange of ideas about what elements could be included and where the parties could have common interests/goals (Lewicki, Barry & Saunders 2011). According to Fisher and Ury (1981 1992) a focus on interests rather than positions opens up for more possible solutions. This is based on that behind
the different positions, more interests are alike than different. For the scope of the thesis, this statement will be applied. It can be linked to the previous mentioned point about illusionary conflicts, which was argued to be the biggest obstacle to an integrative outcome. Fisher and Ury (1981 1992) states that a key element to integrative outcomes it, to understand and satisfy the parties interests. In order to make accurate judgments on the counterparty' interests, some information sharing must happen. It can take many forms, but ultimately it can be argued, that without this element, no integrative deal can be made because the interests needs to be disclosed at some point.

Brett has researched the link between indirect and direct information sharing to outcome and strategies for the exchange of information (2007). This is connected to Hall’s dimension of High-context and Low-context cultures. By doing this, Brett links negotiation behaviour with culture, and thereby supports the argument that culture affects the negotiation.

Thompson (2009) researched how information sharing and joint gain was related. Furthermore it is also researched whether an inequality in the information sharing, e.g. that one party provides more information than the other party, affects the outcome. This is relevant, not only because of the size of the joint gain, but also in order to determine whether an active information sharing affects the party engaging in this; will you give the other party an advantage by sharing information about own interests?

The level of trust has to be seen in connection to the cooperative aspect, where Kimmel et al. (1980) studied trust, both in relation to type of information sharing and outcome. Lewicki, Barry and Saunders (2011) claims that mistrust inhibits cooperation, because parties will look for hidden motives rather than accepting the information received. Thereby a lack of trust can cause parties to apply a competitive approach, causing problems for obtaining integrative outcomes.

**Trust**

A definition of trust is provided by Kimmel et al (1980, P. 10) as “a belief that the other negotiator (a) has a problem-solving orientation and/or (b) is generally unselfish”. The study showed that trust was connected to the preferred information sharing method, but it didn’t show any significant correlation between achieving high joint gain and a high level of trust, which indicates that information sharing method might be a result of trust level, but it is not the sole determinant of outcome. Furthermore it introduced aspirations as a factor in reaching joint gain, which adds another element to the complex structure of integrative negotiation.

Is trust harder to obtain in cross-cultural interactions? According to Gudykunst (2003), the level of uncertainty will rise when interacting with 'the stranger'. When this level
increases, the ability to predict behaviour will be diminishing, causing a higher uncertainty level. How it affects the creation of trust is not explained, but trust can be a way of lowering the uncertainty management, since parties would have a smaller fear of being exploited.

Overall, trust as a factor, within integrative negotiation, does have some effect, but how much is difficult investigate. Brett (2007) argues that the preferred method for information sharing is determined by cultural values rather than trust, and the work by Kimmel et al. is therefore challenged.

**Multiple-offer strategy**

Brett (2007) links this strategy to HC cultures. Instead of revealing interests and priorities individually, parties make offers based on these. Offers are reciprocated, and this exchange of offers allows parties to reveal the counterpart's interests and priorities. This approach has also been referred to as heuristic trial and error (Kimmel et al. 1980).

Brett (2007) characterizes this type of information sharing as a “truth serum” (P. 94), based on the argument that no party would make an offer they wouldn't agree to. When relating this to needed level of trust, Brett argues that this type of information exchange can be executed in low-trust relationships. Kimmel et al (1980) supports this argument, but still claim that there is a minimum level of trust, there needs to be satisfied before the parties would engage in this type of information sharing.

Pruitt (1981) argues that this information sharing strategy increases the possibility to reaching an integrative outcome and joint gain. Brett (2007) supports the argument, when it is 2 HC-cultures making the negotiation; but when it is mixed content (LC negotiating with HC), then the joint gain will be lower. The main reason behind this, according to Brett, is the inexperience of LC cultures to read and interpret offers.

Based on the described definitions and advantages compared to direct information sharing (also called interest-based strategy), it could be argued that this approach would be less difficult to employ since the needed level of trust is low, and parties are more likely to reach an integrative outcome by doing so. However, when examining this in relation to Hall's dimension of High and Low context, it creates some challenges, since this type of information sharing strategy can be characterized as high context, since the proposed elements has to be seen in context to the total offer, and the previous offers as well. Members of LC cultures do not prefer this style of communication, and it causes problems with interpretation and reciprocal of offers (Brett 2007), which are the pillars of this approach. This misunderstanding as a result of a communication process can be connected to Adler's model of cross-cultural communication (2007), and as a source of misunderstandings or inaccurate judgments resulting in lower joint gains.
Interest-based strategy

Another approach to information sharing is to speak open about interests, and prioritize them (Brett 2007). For LC-cultures, this is the most used approach to reaching an integrative solution, because the information is communicated explicitly. (Brett et al. 1998) argues that if both cultures are LC, then the approach to information sharing should be rounds with Q&A’s, which both parties must reciprocate. However, Thompson (2009) argues that only 57% of the information, which the parties share, is true. Based on these facts, it makes this approach problematic, because how can you know whether the information is true or not?

Brett (2007) argues that this method is only used in the beginning of a negotiation, and towards the end, members of a LC culture will also start to make and reciprocate offers. If one argues that the counterpart does not provide truthful information, then there will be an inconsistency between the provided information and the offers being made. This is based on the rationale that a party will not make an offer, which is not satisfactory for oneself.

What can be argued is that during the first stage of information exchange, a LC-culture will prefer an explicit style in order to discover priorities (Brett 2007). When the interests have been disclosed, it moves to a stage where multiple offers are used in order to reach a solution. It can be discussed why the parties don’t apply a style based on multiple offers instead of the direct approach, when there can be severe trust issues. An argument can be that in order to interpret and reciprocate offers, members of LC cultures needs to know the interests, or at least have a rough idea in order to make an accurate judgment, and this cannot be obtained easily by communicating in a HC style.

Other strategies

2 other approaches to reaching integrative outcomes is presented by Butler (1996); these include log-rolling and bridging. Since these have not been correlated to cultural traits, they will not be explained further. It should be noted that they exist and several other strategies does as well.

Inequality in information sharing and reciprocation wariness

Thompson (2009) researched how information sharing was related to joint gain. After the initial test, another test was carried out, where it was investigated how inequality would affect the joint gain, and if the parties would suffer by providing information. This is an interesting area, since it could change one of the barriers to integrative negotiation, by not feeling exploited when sharing information. The research focused on the providing and seeking information patterns, and not on how much information was
given or extracted. It thereby focuses on the behaviour behind information sharing instead of the amount of information.

The behavioural change regarding information sharing is that an active seeking process can trigger a chain reaction from the counterpart, which results in a more symmetrical process (Thompson 1991). This is supported by Brett et al. (1998), who also state that one part's behaviour affects the counterparty. This change in behaviour might be an explanation to why an inequality in information sharing doesn’t make one party worse off. It is noted that the type of information provided or sought, should only include interests and priorities, and not include BATNA or other sensitive information (Thompson 1991).

Cai et al. (2000) found that an inequality in information sharing could affect the joint gain. This was related to buyer/seller roles, where seller collectivism was connected to higher joint gains than buyer collectivism. An underlying assumption is that seller is more dependent on buyer, and is therefore more dependent on sharing information than buyer.

Reciprocation wariness is connected to the degree which negotiators are exercising caution in the offering and returning help. This is influenced by the parties' fear of being exploited by the counterpart (Zhang, Han 2007). They link risk averse with high reciprocation wariness, which is relevant since risk averse is included in Hofstede's framework as a part of the dimension Uncertainty Avoidance. High reciprocation wariness can therefore be linked to high UAV whereas low UAV will have a lower reciprocation wariness. Implications of a high reciprocation wariness, are that this can influence the party's cooperative incentive and behaviour(Zhang, Han 2007), and the information sharing will be very limited, leading to lower probability of realising a potential joint gain. The study conducted by Zhang and Han only concerned direct information sharing, and not multiple offer strategy. Another connection there can be argued to exists is that high UAV cultures could prefer multiple-offer strategy instead of direct information sharing. This theory is suggested by Zhang and Han, and can be justified based on the low level of needed trust in multiple-offer strategy.

When connecting reciprocation wariness to the inequality in information seeking, it could be argued that the behaviour exhibited by a negotiator with low reciprocation wariness, could trigger a chain reaction described by Thompson (1991). The results from Cai et al (2000) could suggest that it would be an important factor to note if it was seller or buyer, who had a high reciprocation wariness, because their research showed that buyer could have a higher reciprocation wariness without this affecting the joint gain.
Cultural Dimensions and their impact on the integrative negotiation

Not all dimensions within Hofstede’s framework can be argued to of equal importance when evaluating their impact on the integrative negotiation. The focus of this section will be to analyse, based on research papers, how these dimensions can affect the different stages of an integrative negotiation. Some of the dimensions can be used in order to explain parts of both integrative and distributive negotiation, and since these are not totally separate, Brett (2007) argues that an integrative deal involves distributive tactics as well, there will be some parts there are related to the distributive negotiation as well; however the focus will be on the parts, which are unique to integrative negotiation.

Impact of Individualism/Collectivism on Negotiation

Denmark and China represents the 2 different outcomes on this Dimension according to Hofstede (2010). Denmark is characterized as an individualistic culture, where the emphasis is on self-goals rather than collectivistic goals (Hofstede 2010). China represents the collectivistic dimension, where the focus is on group-interests and harmony. When relating this to negotiation, a link between the distributive negotiation and individualistic dimension can be argued; the same is the case for integrative negotiation and collectivistic cultures. An article by Brett et al. (1998) examines cultural dimensions and their impact on joint gains in negotiation systems. This dimension is investigated in order to determine whether it has an impact on the joint gain. (Cai, Wilson & Drake 2000) made a similar study, but this was expanded to the relationship between IDV and COL, and whether COL behaviour could affect IDV and thereby create a higher joint gain.

The first study found that the differences within this specific dimension had no significant effect (Brett et al. 1997). Both Japanese and US negotiators (represents both IDV and COL according to Hofstede, 2010) achieved high joint gains, and the low joint gains were not related to differences in this variable either. Gudykunst and Kim (2003) provided a link between IDV+LC and COL+HC, where they claim that the communication style is affected by the underlying values for the IDV and COL dimension. This implies that IDV will prefer LC style, because the individual values self-expression and being unique, which will result in a direct style. By applying this approach, the variance between the results can be explained by communication style rather than IDV and COL.

The research done by Cai, Wilson & Drake, exploits the effects of a mixed COL/IDV approach (2000). Their results contradicts with the results from Brett et al. where this research finds that an increasing level of collectivism affects joint gain positively; the higher collectivism results in higher joint gain. This can be explained by some of the
characteristics Hofstede assigns, where concern for the group is valued. This can result in a higher concern for the counterpart, and thereby a bigger incentive to explore interests; this could explain the relation between greater joint gains and higher degree of collectivism. Research by Kimmel et al (1980) showed that parties reciprocate behaviour, and by having a high degree of collectivism could therefore influence the negotiation into a more cooperative line.

One reason as to why they differ, could be explained by the extra dimension of buyer vs. seller, which is employed by Cai et al. (2000). The relationship between buyer and seller can vary greatly, and especially within collectivistic cultures. The relationship between seller and collectivism, the degree of collectivistic values preferred by seller, indicated that this was more important for reaching integrative outcome than buyers collectivism. An implication of this study is that the proposal, made by Brett et al. (1998), regarding a reciprocal of behaviour, seems not to be valid in this example. Cat et al. (2000) found that collectivist buyer behaviour would lead to more distributive tactics used by seller. This can be linked to the difference in relationship and obligations between buyer and seller, which Cai et al (1998) found among collectivistic cultures.

As a predictor for behaviour, this dimension will have to be seen in context with both seller vs. buyer roles, preferred style of communication along with the values Hofstede has assigned. It can therefore be problematic to solely apply the Culture as Shared Values, similar to Hofstede’s approach, to evaluate behaviour. Instead the Culture-in-Context approach seems to fit to the differences in behavioural and strategic there exists within cross-cultural negotiations. The rationale behind this is that some of the findings do not correspond solely with Hofstede's framework, and therefore a rationale behind the behaviour has to be found elsewhere.

**Monochronic vs. Polychronic and its impact on negotiation**

According to Hall this dimension relates to time and relations approach. In Polychronic cultures, the approach to problem-solving is multi-tasking, which can be argued to be an advantage when dealing with integrative negotiation. This is based on the argument that integrative negotiation is best dealt with in one process, where all elements are discussed (Thompson 2009); a procedure of discussing and settling one element at the time can result in having a distributive nature instead (a long line of distributive outcomes instead of an integrative outcome), where the potential gain can not be realised.
The impact of Power Distance

In relation to exploring interests, using power has been connected to distributive behaviour, and is therefore not ideal for expanding the pie (Brett 2007). This can be linked to the usage of power as to demonstrate positions, and according to Fisher and Ury (1981 1992), this limits the probability for reaching an integrative solution.

One of the areas where PD can affect the negotiation, is how power is perceived. Brett et al (1998) argues that low PD cultures will assign power according to situational power. The source of situational power is BATNA (Best Alternative To Negotiated Agreement), and can therefore not easily be changed, unless a better opportunity arises. In high PD cultures, power is assigned according to social status, which can be changed by bringing in another negotiation team or member. Another difference is in when power is introduced, as a source during the negotiation or only for the division of the pie. Brett et al. states that high PD will try and clarify the differences in the beginning of the negotiation, and thereby use this as a source of influence. Low PD will try and proceed without this clarification. In relation to Guanxi, it can be discussed if it is a limitation to reach an integrative solution, because Guanxi values reciprocity, and this doesn’t have to be monetary (Dunning, Kim 2007). In a negotiation context, the role of seller and buyer can vary because of their perceived status within the community, which can result in the stronger part (the one with the highest status), is willing to enter in an economically less favourable outcome in exchange for respect and face (Dunning, Kim 2007). In that context, it can be discussed if it is does have any effect at all? One way of arguing that it is indifferent whether clarification of power happens is that since a party can reciprocate by giving face in some situations. By giving face, a party changes the status difference between the parties. Goffman (2003) argues that a subordinate will not suffer from giving face to a superior, and since face is a symbol within social interaction, this reception of face can improve the recipient’s general social status. No research regarding this type of outcome (economic value in return for face), has been conducted in relation to intercultural negotiations (to my knowledge), and it is therefore unknown if this type of outcome can appear in cross-cultural negotiations.

Ultimately it can be argued that the most important aspect of this PD is whether or not the representative is able to make a binding decision. If the Chinese negotiators match the Danish negotiator’s status, and thereby might end up sending a representative not superior enough to make a binding decision, the whole process could end up with no result. This happens because the representative would have to go back to the superior, who might not agree, and who does not necessarily have all the information based on his lack of involvement along with the cultural aspect of having a lack of trust between the hierarchies (Sauers, Kennedy & Loo 2005).
Guanxi and negotiation

As mentioned earlier, then Guanxi and Confucian values are the basis of Hofstede’s 5th dimension (Hofstede 2010). However, Dunning and Kim (2007) states that Guanxi is more than long-term orientation, it also encompasses traits that Hofstede assigns to Collectivism/Individualism and Power Distance. In opposition to Hofstede's view, Fang (2006) emphasizes the dialectic element of Chinese culture, which states that culture is both-and. The implications of this, is that a negotiator could experience both poles of the same dimension in Hofstede’s framework, when negotiating with the Chinese.

Fang (2006) presents 2 different negotiation profiles, the Confucian Gentleman along with the Sun Tzu-like strategists (p. 54). The Confucian Gentleman is related to Confucian values, whereas the Sun Tzu-like strategist has its origin from the 36 stratagems. The stratagems originate partly from Yin-Yang and dialectic dynamics (Fang 2006). These profiles represents each pole within a dimension.

In relation to the collectivistic aspect of the Chinese culture, also described by Guanxi and in-group favouritism, Zhenzhong and Jaeger (2005) argues that the competitiveness and individualistic focus, when negotiating with out-group members, are much more intense. Thereby it can be argued that it will be the strategist instead of the gentleman an out-group negotiator will deal with. In relation to integrative potential, the very competitive behaviour can therefore limit the possibilities for achieving a joint gain.

How is it determined whether a negotiation partner will practice the gentleman or the strategists? Hence the name, the gentleman is associated with the Confucian dynamics and values. One of these are, as mentioned previously, Gunxi. An indicator, for which negotiation style will be predominantly, can therefore be argued to be the strength of one’s network. If the negotiation partner is a close connection, the probability for meeting the gentleman will be higher, since in-group harmony is preferred.

Personality and Negotiation

Hofstede’s model explains that some parts of behaviour does not correspond to culture, but are instead individual traits (Hofstede 2001). This supports the argument for that negotiation behaviour cannot be predicted solely on cultural background. The CIC approach supports this argument, and adds experience and other contextual constraints. The impact of these findings can be discussed, but to my knowledge, no study has examined how big a part of the behaviour is cultural determined and how much can be assigned to personal traits. It can be argued that because Hofstede’s values are mean-values, an individual will rarely have the exact same scores (Hofstede 2001), this is furthermore described by his model, where 2 cultures can overlap (exhibit 1.7, P.
Implications of this factor with an unknown impact, which personality can be described to be, is that not all negotiation behaviour can be directed to either culture, experience or contextual constraints. Zhenzhong and Jaeger (2005) has reached similar conclusions, that personality does affect negotiations. It can be argued to what extent and it is therefore difficult to use personality as a factor when predicting outcome, strategy or behaviour.

**Sum-up – How does culture affect the integrative negotiation**

The theoretical framework examined how cultural differences affect the integrative negotiation. The foundation was Hofstede's framework along with the elements of Confucian dynamics described by Fang (2005). The research conducted within this area suggested several other variables as a factor in integrative outcome, which complicates the hypothesis of culture as a tool for predicting behaviour. In order to sum up, the research suggested the following: relation status, buyer/seller role, level of trust, both parties aspirations, reciprocity norms, and personality. When linking these findings to Janosik’s notion of Culture-in-Context, this could be used in order to encompass the other factors influencing the cross-cultural integrative negotiation. An implication of doing so is that the notion doesn’t state how other factors influence the process, or to which extent, and thereby the usability is low when it comes to using it as a tool to predict behaviour in order to prepare one’s own tactic.

**Qualitative Research**

Integrative negotiation has been described as a complex process, which is amplified when adding the intercultural dimension. None of the previous research that has been used for the theoretical part, concerns Danish and Chinese negotiations, but are instead general discussions based on Hofstede’s framework. The objective of this study will therefore to investigate and evaluate the differences between Danish and Chinese negotiation partners, seen from a Danish point of view, and analyse whether the theory can be used in order to explain the encountered problems, challenges and processes. The focus will be on perceived cultural differences, information sharing and how culture in general affects the whole negotiation process. Some of the reviewed theory will be difficult to research outside a constructed example, and can therefore not be included in this study.

A unique ability of qualitative research has been defined as being the ability to ‘unpack’ issues, and examine what they are and how they are connected (Flick 2009). This is relevant in this context since culture consists of different elements, and that these can be connected in different ways. An example of this is provided by Hofstede and Fangs contradicting ways of defining and construction of culture. Hofstede has included
elements of the Confucian dynamics in several dimensions, whereas Fang argued that it cannot be separated. Furthermore the 'both-and' along with the 'either-or' approach contradicts.

5 - Research Design

The Case Study as a Research Design

Yin (2009) has characterized a case study as “an empirical enquiry investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident” (Yin 2009, P. 18). As the theory so far has concluded, it is difficult to define how the different elements affect an integrative negotiation. The focus is on culture, but how much can cultural background predict, and what parts of the cultural background have an effect? This is all seen in relation to the parts unique for integrative negotiation. Yin (2009) also describes case study as well suited, when the focus is on why and how questions, which together characterizes an explorative study.

Explanatory research concerns why a phenomenon occurs and what forces that drives them. Evaluative research concerns the dynamics of how something works. (Ritchie, Lewis 2003). Both approaches can be applied, the explanatory can be used in order to establish a rationale regarding why intercultural integrative negotiation is more difficult to achieve than intracultural integrative negotiation? To some extent, this has already been analysed in the theoretical part, where both the etic and the emic approach have been investigated in relation to their effect on integrative negotiation. It could therefore be more interesting to evaluate how these apply in the negotiation between Danish and Chinese business partners. However, it can be argued that the explanatory research concerns a state, which in this case is the cultural backgrounds. The affect on negotiation can be described as a process, which can be evaluated, and therefore is the explorative approach can be applied. Both the explanatory and evaluative approach is a part of the explorative study.

The case will be defined as 3 individual people, each conducting business with Chinese partners. It will be a single case study, since the goal is to determine if the theoretical propositions are valid or if alternative propositions would be more relevant. Furthermore, an assumption for regarding this as a single-case study is that these people will believed to have some common experiences, because they are subject to the same cultural background. The requirement of the single case is that it should meet all the requirements for testing the theory, this is ensured through sampling.
Data Collection Method

The method chosen for this study is individual interviews, because this approach provides a sole focus on the individual. This is well suited for investigating deeply rooted phenomena in complex systems and processes (Ritchie, Lewis 2003), which is in line with the nature of the case study. Hofstede defined values as deeply rooted (Hofstede 2001), and Thompson (2009) has described integrative negotiation as a complex system or process. Thereby it can be argued, that this approach provides the best form for data analysis. The isolation of the individual interviewees can both have a positive and negative effect. When investigating what is most important and where the biggest difference are, it can be argued that this will be mentioned first, since it will probably provide the biggest challenges to solve. Blumer states “human beings act toward things on the basis of the meanings that the things have for them” (P. 58 in Flick 2009), which underlines that the biggest challenges will be acted upon. In a group setting, the participants might be susceptible to some of the inputs from other interviewees. This could lead to that the differences between the experienced negotiations and cultural encounters that the participants have, can be more difficult to determine in relation to their frequency and importance. Instead the focus could be on many different aspects, the broadness of their experiences, and not the impact, how big an impact it has made.

The semi-standardized interview has been chosen because of its flexibility. Flick (2009) states that this interview form can be used in order to reconstruct subjective theory. The subjective theory refers to the interviewee’s personal opinions and knowledge for the topic, which is being investigated. This explorative approach is argued by Ritchie and Lewis (2003) to have a more loose structure, and an agenda set by the interviewee, is the most beneficial in order to uncover what Flick (2009) describes as the ‘subjective theory’. Culture as a tool for prediction and source of challenges in the integrative negotiation has not yet been a perfect match. Janosik’s (1987) description of Culture-in-Context is diffuse, but highlights a number of aspects, which can influence the cross-cultural interaction. Since this can vary within every culture and individual, it would be difficult to apply a set structure, as the standardized interview proposes, because some elements might not be present at all or might not be as relevant. By forcing the interviewee to consider all elements, a broader spectrum might be presented, but it could be difficult to evaluate what is most important. Furthermore the possibility of discovering something new is very limited with this approach (Flick 2009).

A caveat when applying to loose a structure can be the difficulties with controlling what direction the interview progresses. Since the scope of this study is to investigate cultural differences and their impact, it can be argued that the area is very broad, and in order not to stereotype, based on Hofstede’s framework, a loose structure should be applied. However, since this requires a talented interviewer (Flick 2009), it will be difficult to apply. The alternative in form of a standardized interview does not provide a
suitable alternative because of its strict nature, with very little opportunities to adjust to new inputs arising as the interview progresses (Flick 2009).

Questions in the semi-standardized interview are open questions at first, and the progresses into theory-driven or hypothesis-directed questions. Lastly confrontational questions are asked (Flick 2009). An interview guide is in the appendix. Furthermore Flick (2009) stresses the importance of rephrasing a question so it fits into the context naturally. Since this study will include 2 topics, integrative negotiation and cultural differences along with the combination of these, it would be natural to clarify each topic first by applying open and theory-driven questions. Lastly these could be combined during the confrontational questions. The diffuse nature of integrative negotiation can cause a problem when trying to implement a structure, because this structure might not include all the relevant aspect. Thus new knowledge and aspects introduced by the interviewee will be valued higher, and the structure will be used as a guidance, but it will not be forced into the interview.

Sampling:

When deciding what people to include in the study, this can be done in multiple ways. Flick (2009) defines sampling as “the decision about which persons you will interview (case sampling) and from which groups these should come (sampling groups of cases)” (P. 115) The sampling method applied is non-probability, which is characterized by deliberately selecting participants who represent a certain group there can contribute to the study with in-depth knowledge. The rationale behind is that all areas of interests are covered, and secondly that some diversity is included (Ritchie, Lewis 2003).

For this study homogenous sampling will be applied. It focuses on giving a detailed view on a particular phenomenon, in this case cross-cultural integrative negotiation, and it allows “detailed investigation of social processes within a specified context” (Ritchie, Lewis 2003, P. 79). In this relation the social process will be defined as the cultural impact on behaviour, and the specified context will be the integrative negotiation. When applying these criteria into specifications for interviewees, they can also be referred to as the group sampling. They will be as following:

Nationality: Danish, based on the interest in the Danish point of view with Chinese business partners.

Experience: It can be difficult to evaluate and assign a fixed period of time that the interviewees should be experienced with Chinese negotiations. However, they must have completed a number of negotiations, since integrative negotiations rarely are starting point, and they should be able to generalize some of their experiences in order to get a result, which can be argued to represent the Chinese style and culture.
These will be the 2 main criteria. Flick (2009) describes 2 different aims of sampling, wide or deep. These can be applied in different ‘layers’ of sampling. Therefore this sampling can be argued to be deep since the focus is solely in DK-CH relations, and that it focuses mainly on cultural differences, integrative negotiation and their relation. In relation to the participants, a wide approach has been applied, since the 3 participants are from different companies.

An advantage by having interviewees with no connection to each order can be that this can increase the probability of uncovering a more diverse study. This is because they have different Chinese partners, and thereby a more varied result could arise. The goal of the case study is to generalize theories, and not to represent a population by being a sample (Yin 2009).

This was not an option for this study, so therefore 3 individual participants have been interviewed. The result can therefore not be considered as valid theory in relation to the problem statement, but it could imply a direction to investigate further in another study with more resources.

The participants are:

**Leif Saaby Hansen**
General Manager for BB-Electronics in Suzhou China, where he is permanently situated. He has been in this position for 3,5 years, which also represents his experience with Chinese business partners. His position in China, as an expatriate, can both lead to advantages and disadvantages. Through his position he could have achieved a more in-depth knowledge because he is permanently situated in Suzhou. However, Hanne Tange (REFERENCE) argues that one will adjust to the values in the current country, and thereby the distance between Danish and Chinese values might be smaller because of this adjustment. This is inconsistent with Hofstede’s view on stable values though. For the scope of this study, it will not be elaborated further, since neither the theory supporting this have been assessed, and 1 person/interview is insufficient in order to conclude this. Furthermore it is not relevant for the problem statement.

**Jan Nielsen**
Manager and founder for HillFarm Machinery, a Chinese company with a Danish office. He was previously employed by a Danish company, and has done business with Chinese partners for approx. 10 years. He is situated in Denmark, but is frequently in China. He can provide input on the Chinese culture and customs, and what difficulties there are involved with doing business in China. In relation to his own company and current position, he is not active in all parts of the negotiations. In his opinion, the Chinese way of negotiating is too complex, and therefore extremely difficult for Danes to engage in.
In his previous position, he was a part of the negotiations, and his input is therefore relevant.

**Gabriella Verdi**

Managing director of Verdi International Ltd. Has previously been employed by H&M, and was situated in Shanghai in connection to this. She has 17 years of experience with Chinese business partners. She is a part of the study since a Danish participant was prevented. In relational to cultural differences, Sweden and Denmark are almost alike in relation to China. If there are contradicting views with the Danish participants, these will be investigated further and a note will be made. It would be most ideal to have a Danish participant, but in order to get a deeper understanding and have more participants, it is argued that this difference will be less ‘disturbing’ for the study in relation to only having 2 participants. Gabriella might not be able to answer precise questions in relation to Danish values and perception of the Chinese values in this relation, but her input in relation to her extensive experience with Chinese negotiations will be relevant.

Family and relatives have assisted the selection process because it proved difficult to find a company or participants willing to invest time in this project, when they had no connection. Leif Saaby Hansen is the only participant, who doesn’t have any connection to my extended network. Since I don’t have any connection with, or know them Jan or Gabriella personally, this help from friends and relatives will not be assigned any importance in relation to the results or process.

**Data Processing**

The aim of the study was to investigate how culture affects integrative negotiation, and to what an extent it can be used to predict behaviour in this context. Yin (2009) proposes 4 different strategies, one of them is: relying on theoretical propositions. By doing so, the method of analysis will use existing theory as a starting point, in order to test the theory. The research questions are concerned by the explanation power and effect of culture, which makes this approach most suitable. The analytic technique will be pattern matching, where the focus is on finding similar patterns in both empirical and theoretical data (Yin 2009).

**Validity**

Validity is concerned with “whether the researchers see what they think they see” (Flick 2009, P. 387). In relation to pattern matching, as a source of processing data, this can be caused by suggesting possible patterns on very weak grounds (Yin 2009). Validity can be both external and internal, and it is constructed by using multiple sources of
evidence along with establishing chain evidence (Yin 2009). The use of multiple sources constitutes a problem within this survey, since the interviews are the only source of evidence. This can cause a problem with validity within the study.

The reliability is concerned with how far a specific method could continuously create the same result or measurement (Flick 2009). This is more relevant in relation to quantitative studies than case studies, and there will the focus be on validity.

Regarding internal validity, this is especially a concern with explorative studies and pattern matching (Yin 2009). In order to ensure this, statements where it is unclear what pattern/theoretical element there should be assigned, will be discussed by applying several patterns, and not make any final conclusions based on this. Flick (2009) argues that ‘quantification’ of qualitative data, eg. by stating that several interviewees mentioned the same element, doesn’t make the result more valid. In order to avoid this quantification, the underlying explanation will be investigated whenever possible.

External validity refers to creating a domain, where the findings can provide general guidelines within this domain. The nature of case study complicates this process, since it focuses on an analytical generalization, and thereby the domain is changed to the phenomenon (Yin 2009). Because of the heterogeneity in the study, this external validity can cause a problem, and further research will most likely be necessary in order to ensure the external validity.

**Empirical Findings**

The hypotheses based on the theoretical framework formed the basis of the interview guide. As mentioned earlier, one of the caveats of using semi-standardized interviews was the lack of experience with interviewing. This affected the interviews, and the interviewees primarily controlled them. Furthermore it proved difficult to receive answers in relation to the integrative negotiations. Cai et al provided an explanation. They stated “Only by measuring joint profit can we learn about the link between culture and integrative potential” (2000, P 593). This complicates the analysis, since the study only concerns 1 of the negotiation parties, and in general terms regarding all previous negotiations. In order to examine the joint gain, the study would have to include both parties in a specific negotiation, where both ZOPA (Zone Of Possible Agreements) would have to be known in order to investigate how much joint gain there could be realised.

MP3 files of the interviews have been enclosed in the appendix.
The perception of the integrative outcome

Theory explains that an integrative outcome makes both parties better off, because mutual interests can create a joint gain. The definition, given to the interviewees, was: a negotiation where multiple elements are discussed, and these are traded off with each other according to priority and interests.

LSH’s refers to this type as a “Total-negotiation” (Helhedsforhandling), and in his opinion this is to be preferred because it simplifies the negotiation process. This is inconsistent with the examined theory, which states that this type is more complex and difficult to manoeuvre and execute. The simplicity refers to the process, because every element can be dealt with in the same process. It cannot be excluded that the negotiations are of an integrative character, but the simplicity within the process could indicate a more distributive nature of the negotiation. LSH mentions that he has never had the feeling of that they had mutual interests.

In GV’s experience, this process where all elements are simultaneously discussed, requires a good relation before it is possible. She mentions that the whole structure and nature of negotiation with Chinese counterparts is very complex, and it is therefore difficult to generalize previous experiences and to know whether the outcome was distributive or integrative.

Based on these statements, it is unclear whether an integrative outcome has been reached, or if the outcomes have been of a distributive character. In relation to the definition of integrative outcome as a potential joint gain, this is therefore difficult to determine whether this has happened or not. Fisher and Ury (1982 1991) stated that an integrative outcome should be pursued if both the subject and relation were important. This along with the concern for the counterpart that Guanxi assigns, all negotiations should be seen as an option to reach integrative outcomes for both parties. The implications for the study are that the focus will be on the steps towards obtaining an integrative outcome in the extent this is possible, along with how culture appear in and affect the negotiation.

Communication

According to the model presented by Adler (2007) the intended message was not always the one that the counterparty received. An example is provided by LSH, where he would say to a Chinese employee “I would like it if you could try and do it this way”, but this would be understood as ‘it would be nice if the sun is shining tomorrow’ ”. A possible explanation for this could be found in the high PD that characterizes the Chinese culture. Clear orders will be fulfilled, and the subordinates expect to receive
direct orders (Hofstede 2001). In this example, the PD and hierarchy have more influence than the indirect communication style, which characterizes HC cultures.

LSH gives an example of a product specification with an incorrect number on one of the measurements. According to him, Danes would use ‘common sense’ and correct it automatically so the product would fit the rest of the production, but his experience has showed him that the Chinese employees won’t do this. Instead they will argue that “it looks wrong, and therefore it will not fit, but on the other hand this is what he asked for, so this is what we will make”. This is consistent with the Yin-Yang approach, where things will be seen from both sides.

Another impact, which can also be assigned to the high PD, is mentioned by LSH. If a request is forwarded/given to the wrong employee, eg. one who does not have a high enough status to make a decision or is situated in another part of the organization, this request is lost. This can be connected to both distrust between hierarchies (Hofstede 2001), and the protection of face (Woo, Prud’homme 1999). It is essential for the Chinese to stay within their own domain, and not try to overtake another’s domain upstream in the organization (Hofstede 2001). In this example, processing the request, would involve activities within others domain, and this is not accepted. In order to prevent this, the request is not processed. Another implication by sending a request to the wrong employee is the potential loss of face, which the employee could force upon the sender by saying ‘No’; and thereby turn down the sender. By ignoring the request, the employee protects the sender from loosing face (Woo, Prud’homme 1999).

When the negotiation reaches its final stages, it will be the CEO who conducts the negotiation from the Chinese counterpart according to both theory and the interviewee. GV mentions that during this stage, the indirect way of communication is swapped with a more direct style. According to theory, the indirect approach is applied in order to protect the parties’ face (Gudykunst 2005), but since face is a result of a social interaction, it can be argued that the influence of face is smaller in this stage of the negotiations, since the subordinates are no longer present, and therefore can saying no and rejecting a request not cause the loss of face. The direct approach will therefore be applied in order to state position and claim value. The method and behaviour when claiming values is also affected by culture (Brett 2007), but only when it comes to means, not whether this is done or not. Thompson (2009) states that a pitfall os integrative negotiation is for forget to claim value after the pie has been expanded, but experience will prevent this from happening. Furthermore it can be argued that claiming value is a basic negotiation element, and since it is not connected solely to integrative negotiation, it will not be affected by the variables in the same way as the unique elements, since it is not mixed-motive, this is mostly concerned with a competitive aspect.
Information Sharing

The whole process of information sharing is essential for realising the joint gain hence the theoretical framework. According to Katz (2008) a Chinese negotiator is willing to spend considerable time on information sharing before the distributive aspect of the negotiation begins.

Ji 26 in the 36 stratagems, which includes 36 negotiation tactics and manoeuvres and are applied by the Chinese negotiator (Fang 2006), explains “Convey one’s intentions, opinions in an indirect way” (P 54). Katz (2008) states that freely shared information will give the counterparty an advantage. LSH has experienced both, it depends on what relationship there exists between them. In the initial negotiations he wouldn’t share information freely since this would be exploited, but with good relations, the level of trust is high, and it is therefore never an issue how information is shared, both in form and quantity. In that context it can therefore be argued that a strong perception of Guanxi will open up for more integrative outcomes.

The connection between collectivistic behaviour and high-context (Hofstede 2001) is challenged by GV. The preference for indirect communication is, in her opinion, not consistent with her experiences. She would use direct communication style, and raise direct questions in order to show interest. She states that this is the most efficient way of showing this interest, and that the Chinese employ this tactic as well. Cai et al. (2000) states that one party would reciprocate the other party’s style of information sharing, and thereby overrule the culturally preferred method.

The theory suggested a difference between buyer and seller (Cai et al 2000). LSH stated that as a buyer, you could share information in any way you wanted, but as a seller, you had to be more careful in order not to be exploited. This was primarily connected to new relations, where the level of trust was low. With old relations, LSH had no problems with direct information sharing when selling products to an relation because the level of trust, and value for harmony, would prevent the party from exploiting this knowledge.

Another element, which can affect the information sharing by reducing the competitive aspect of a negotiation is mentioned by LSH: “Help your Chinese counterpart”, both in order to make sure he doesn’t loose face, but also by making the deal favourable to both parties. This can eliminate some of the competitive aspects of negotiation, which theory suggested hinders the opportunity for reaching an integrative outcome because of fear of exploitation along with a smaller concern for the counterpart.

Danish and Swedish communication style have both been described as low-context (Hall 1989), whereas China is high-context (Hofstede 2001), but this study has questioned whether this is the best determinant for predicting behaviour. In relation to the preferred strategy, the interviewee’s replies didn’t correspond with the style their
cultural background assigned. Instead, the role and relationship with the counterpart seemed to influence both the style and strategy for information sharing. In relation to the inequality in information sharing, this could not be measured since the size of a potential joint gain and the realised joint gain is incredibly difficult to measure in real life.

**Guanxi**

All 3 interviewees stressed the importance of Guanxi, as a prerequisite for doing business, as a way of enforcing deals, and as a facilitator.

Before the negotiations start, JN has been invited to China, where time is spent on entertaining in restaurants, where his presence facilitates the relationship building and gives face to the local business partners. He mentioned that in order to get the Chinese to the negotiation table, you would first have to spend time with social interaction.

GV stated that besides being a prerequisite for engaging in negotiations, Guanxi could also facilitate new business partners. By getting introduced from someone within one's network to a person outside, would facilitate and shorten the length for establishing a relation, which is supported by Dunning and Kim (2007). GV further mentioned that Guanxi could provide the necessary connections and relations when being a seller in the Chinese market. Hence the assumption of buyer's market, which was a factor in the information sharing process, it could be connected to the notion of Guanxi. It would require further examination and investigation, but some aspects regarding Guanxi and Power Distance has shown that Guanxi can be a way of overcoming hierarchical differences in relation to outcome.

In relation to contracts, JN states that these are seen as “rubbish paper unless you have a personal relation to the counterpart, there can enforce the deal”. LSH claims that the Chinese are very concerned with contracts, and that much time is spend on forming and agreeing on these. These 2 views seem to contradict each other, but Guanxi might offer a connection between these 2.

JN claims that personal relationships are important when entering a contract, since this will enforce the content. Information is, according to JN, a good, and a relationship is the only way to protect this good from being sold. Katz (2008) supports this, and mentions that a contract will only concern the big issues in a deal, and is more a sign of a commitment towards establishing a relation. Since LSH has experienced this procedure of being very thorough and concerned about details several times, it cannot be explained by personal traits, since these are unique for every individual. If it was only 1 company, who would engage in this process, then this could provide an explanation. The reciprocation of behaviour, which both Brett and Kimmel et al (1998; 2000) have
investigated, could offer an explanation. If LSH is concerned by the formalization of the deal, then this behaviour could perhaps affect the Chinese counterpart, and thereby they would both focus on contract writing. The reciprocation of behaviour has not been examined within this area, but since it affects behaviour in other negotiation processes, it could do here as well. Lastly, the long process of writing a contract experienced by LSH, could also be seen as symbol of dedication towards the future relation. Even though they are very concerned about the details, LSH doesn’t mention that this is connected to the risk of contract breach and the legal terms. Therefore, the theory provided by Katz (2008) could be valid for both statements, the difference lies within how the 2 interviewees experience it.

GV continuously mentions that “Chinese will never make a bad deal for themselves”, and they are mostly concerned with money. To explain this by Guanxi, a possible explanation could be that she hasn’t build any relationships, and therefore she will meet the Sun Tzu-like strategist instead of the Confucian gentleman. Since she has had the same business partners for a long time, she can contact the CEO directly, and she gets introduced to new possible business partners by existing partners, this indicates that she has established relationships, and thereby can a lack of these not necessarily explain this notion. Still, this focus on money doesn’t have to indicate a preference for individualism and competitive behaviour.

Overall, the process and nature of Guanxi was described by GV, who compared it to building a house. It is a long process, you start from the bottom, but it is a good investment.

**Power Distance**

The theory suggested that one of the biggest challenges was meeting the decision maker. Neither GV and JN have any problems with negotiating with the ‘true negotiator’ now, but until a relationship had been established, this was difficult because they would have to start with lower status employees. LSH gives an example of negotiating with a State Enterprise “You will fist meet his secretary, then his advisor, and if you are lucky, then you will get to meet himself (the CEO) afterwards”, where the negotiation has to be repeated until the it reaches CEO level, and a decision can be made. An explanation as to why GV and JN haven’t encountered these problems, are to be related to Guanxi. Because of an existing relationship with the other part they could contact him directly, and start the negotiations from there.

One of the characteristics and requirements of integrative negotiation was the presence of multiple elements in the same process. LSH claims that this can be difficult to achieve because of the very strict hierarchy and separation of domains. As a result, multiple partners would have to be present, one for finance, delivery etc. This could complicate
the trade-off process because the multiple negotiation partners might not possess the knowledge regarding other areas than their own, and thereby would the outcome be a series of distributive outcomes with several counterparts. The only person, who can make a decision for all of these managers, is their manager or CEO of the company (Hofstede 2001).

JN has a Chinese partner, who conducts most negotiations, and in his opinion the Chinese system is too complex to manoeuvre in as a foreigner. His role in the negotiations is during the starting phase and the closing of the deal. Katz (2008) states that the presence of a senior executive should lead negotiations, which can be connected to Hofstede’s PD, where status is valued highly. JN states that by participating in the initial meetings where local government is present, he gives face to the Chinese counterpart because a visiting Western business associate to China is seen as a status symbol in China.

**Face**

The importance of face has been described in the previous sections as well, but overall theory suggests that to make a Chinese loose face can be very damaging, both in connection to the current deal, but it could also affect the relation between the parties. LSH stated that if one caused the loss of face for a business partner, that would usually be the end of both relationship and the current deal, and thereby supporting existing theory. An example, besides asking a Chinese employee to overstep his hierarchy, it could also be to reject a claim in a public domain in front of co-workers. Because of the loss of face, which is connected to status, the current employee would also loose status within the organization.

**Reflection**

The loose structure and the inexperience of interviewing affected the study, and not all areas were covered both because it proved difficult to control the direction of the interview, but also because of the complex structure of integrative negotiation. As a result not all of the research questions can be answered by combining the theoretical framework with the empirical study.

The hypothesis, based on Jenkins distinction about ‘us and them’, that implies the biggest differences would be the one’s to mention first, can be argued to be relevant. The areas mentioned by the interviewee’s were all considerably different to the Danish customs. This is based on the interviewees’ own statements and Hofstede’s framework. As such it can be argued that these different elements represents differences, but it would be difficult to conclude if some are more important than others. The result indicates that Guanxi affects most parts of negotiation, but because of the complex
structure, it can be difficult to know what elements ‘within’ Guanxi prevails. The same goes for face, the interviewees stressed its importance, but it cannot be concluded whether other factors are of equal importance.

6 - Conclusion

When evaluating the results from the qualitative study with the theoretical framework, this can be used in order to answer the research questions.

Hofstede’s framework as an explanation factor for the intercultural integrative negotiation can be argued to be very weak based on the findings and theoretical framework. The notions Guanxi, Face, and Yin-Yang were assigned the biggest influence according to the study. The notion of Guanxi is partly included in Hofstede’s dimensions, and can therefore account for some explanation power within this framework. The elements of COL and PD within Guanxi only partly accounts for the influence on negotiation. According to the study, these relations were seen as a prerequisite to and facilitator in integrative negotiation, which is not a part of Hofstede’s framework.

The biggest challenge in regards to China and Hofstede’s framework can be argued to be the dialectic thinking, which Fang argues there exists. This was difficult to include in the study for several reasons. One of them was that all negotiators would establish a relation to their Chinese counterpart, and thereby would it be the cooperative approach rather than the competitive (according to Fang 2006). The change between low and high-context communication, along with method of information sharing could imply this notion.

An answer to the first research question can be found by combining these. Hofstede’s framework can provide some general insight, but these cannot account for all cultural values affecting behaviour.

In relation to what the biggest challenge is when trying to reach an integrative outcome, this study could not provide very much insight. Theory suggests that the mixed-motive nature of integrative negotiation made this form for negotiation challenging. What can be argued is that the Chinese culture can be assigned some mixed-motive traits as well. One of the examples is Yin-Yang, which suggests that cooperative as well as competitive behaviour influences the Chinese negotiator. Guanxi would open up for relationship building, which would affect trust positively, and thereby support the information sharing (according to theory). On the other hand, the theoretical framework suggested several other factors there could influence the integrative negotiation, leaving a question of how much effect culture does have? It can be argued that the biggest challenge for this study and thesis is to investigate whether there is an integrative
outcome or not? Since the interviewees were not sure they had ever leveraged mutual interests, it can be difficult to determine this.

When analysing inconsistencies between proposed behaviour and experienced behaviour, this is determined by what framework there is applied. By combining Hofstede and the Confucian dynamics, then most of the behaviour experienced by the Danish negotiators can be connected to theory. Since the study lacks some internal validity in form of other sources (Yin states documents, observing (2009)), this could be investigated further. Another factor, which can be examined, is the heterogeneous approach Jenkins (2003) states determines what is noticed. By applying this, it will therefore only be the points where Chinese and Danish values differ there will be noticed; and according to Hofstede’s framework and several other theories, the differences between Denmark and China have already been explicitly mentioned. It could therefore be argued that behaviour similar to Danish would cause differences to a larger extent because they were not expected. The notion of Yin-Yang can also be discussed to influence this, since it states that both poles within a dimension will be present. Thereby can most behaviour be explained with this notion, and will not cause the big surprises.

The last question concerns the integrative as a process, and whether this is too complex to be explained by theory. For the cultural aspect it was shown that different values will affect different stages. Furthermore several other factors was connected to both the process and outcome of the integrative negotiation. As such, it can be argued that to list all the factors and investigate how they affect this negotiation type, process and outcome can be done and presented. the problematic issue arises when these have to be related, both to each other (how they are connected), but also a certain hierarchy (which factor will prevail in this situation), this could prove impossible. An argument supporting this is that personality is unique, and since this factor has some influence, it will be impossible to determine this for each person. As a conclusion to this, it can therefore be explained, but to try and predict behaviour based in this, will prove very difficult or impossible.

As a conclusion to the problem statement, culture does affect the integrative negotiation. It is difficult to determine what values that have the biggest influence, because contextual factors can either magnify or decrease this. Furthermore the cross-cultural communication showed to be problematic, which should also be included since negotiation is a type of communication, and is therefore subject to the same challenges. The choice of theoretical framework, when evaluating culture, was also important, and to solely use Hofstede could provide severe problems and influence the explanation power because of its simplicity in relation to Chinese culture.
Limitations of the study

As mentioned earlier, the qualitative study had some problems with validity. This inhibits the explanation power, and future research will be needed in order to investigate culture as a phenomenon within integrative negotiation.

Multiple sources of information could be used in order to increase the internal validity, Yin (2009) suggests observations, documents, and participant observant could be relevant in this example. The bias, which is caused by interviewers inexperience, could also be omitted by having a more experienced negotiator, and thereby the interval validity could be improved. Lastly, the use of more than 3 participants could have generated more varied results since they might contribute with elements that the 3 current participants haven’t.

It was limited what the 3 participants could explain and define from the concept of integrative negotiations. The reasons for this could be the complex nature of integrative processes, difficulties with interpreting the counterpart’s behaviour in a cross-cultural setting or both. The result is that the study mainly concerned cultural differences in connection to negotiation in general, and the differences in Chinese and Danish behaviour.

Overall this research can be used as a stepping stone towards future research. The results cannot be defined as valid, since multiple validity problems are present. The results can indicate what direction a new study should concentrate on, and the study could form the basis of the theoretical framework, which should be investigated.

Suggestions for future research

In order to connect these results specific to integrative negotiation into a context, where the whole process is investigated, and not only parts, it could be interesting to see whether same factors affecting the partied during the integrative process will also influence the parties during the distributive process, and see if there is a link between the 2.

How do you know whether you have reached an integrative outcome or not? This study found that the participants weren’t able to state whether they had reached such an outcome or not. It could be relevant to study if this affects the efforts the parties make during the negotiations, this might be be shown in reluctance to engage in information sharing, and could thereby also overlap with already defined factors.

The study could be expanded to involve both Chinese and Danish negotiators, which could provide insight to both sides of the negotiation. This could be analysed in order to
find out whether certain behaviours or strategies employed by the counterpart would trigger a certain response in form of changed strategy or behaviour. It could provide further insight to why certain strategies and behaviours are employed during a negotiation, when these cannot be explained solely by culture. As mentioned in the conclusion, the effects of culture can be magnified and decreased by contextual constraints. These contextual constraints have been mapped with this study, but it does not show their correlation, eg if one factor prevails another in certain contexts. Is there some kind of hierarchy between these factors, that will cause the same factor to always prevail or what influences what factor will prevail? This would be very hard to obtain knowledge about, and it would require knowledge about both parties before, during and after the negotiation. Because of the complexity of both cross-culture negotiation, and the integrative process, it is questionable whether such results could be obtained, and it would be subject to limitations since it would provide information about a state in relation to the hierarchy of these factors.

Common for all approaches is that there would be a need for conducting multiple case studies. Since the cross-cultural integrative negotiation is so complex, it will still be argued that the focus is primarily on qualitative studies, because of the ability to ‘unpack’ issues. Furthermore the present knowledge is limited within this field, and this will complicate a quantitative study, because the underlying factors for the answers given could be difficult to identify.

Characters excluding blanks: 110.316

7 - Bibliography


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Appendix 1 – Trade between Denmark and China

Source: Statistikbanken (http://statistikbanken.dk/statbank5a/default.asp?w=1440) Accessed again the 1st of May

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Appendix 2 – Recorded interviews