



# 6

## Global Cultural Systems, Communication, and Negotiation

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### Introduction

Every day, a large number of companies conduct their business in diverse locations around the world. As a result, more communication across cultures takes place. Cross-cultural communication differences can be either a factor of complexity, causing problems, or an opportunity to create mutually beneficial, synergistic agreements (Adler, 1991). To thrive on cross-cultural negotiations and minimize unnecessary risk, time, and cost, one must know how to influence, and communicate with, people of other cultures (Adler & Graham, 1989). According to Gulbro and Herbig (1999), two business negotiators could easily find themselves at odds with one another; if their cultural traits, or the way they perceive the world, are different. Language, cultural sensitivities, legal systems, and many other business practices can make negotiating across borders remarkably different than negotiating within the domestic market (Brian, 2007).

Cross-cultural studies of negotiation discuss similarities and differences between global cultural systems and their impact on business outcomes. They explain the behavior of people, working in organizations around the world. Cross-cultural research expands the range of negotiation phenomena, broadening negotiation's research questions, constructs, and theories. Cross-cultural research reveals limiting assumptions and identifies boundary conditions of

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theory. It provides new interpretations of old findings and thereby extends our understanding of negotiation beyond Western contexts. Ultimately, it guides practitioners by clarifying the circumstances under which culture becomes a bridge or a barrier to fruitful conflict resolution (Gelfand & Brett, 2004).

This chapter starts with a brief explanation of how researchers have defined and studied culture, followed by the presentation of six prominent theoretical frameworks of national cultures based on values and communication preferences. It continues by explaining the limitations of these frameworks of cultural dimensions and pointing out their usefulness and applications for cross-cultural negotiation. Later sections of this chapter provide further discussion of contemporary cultural models of Cultural Intelligence and Global Negotiators. The chapter ends with conclusions and recommendations to those who seek to become competent negotiators in a global context.

## Theoretical Frameworks of National Culture

Throughout the years, researchers have defined and studied culture in multiple ways, depending on their disciplines and, consequently, their prime focus of attention (Baldwin, Faulkner, Hecht, & Lindsley, 2008). In spite of their differences, they all agree on the notion that culture is common to people within groups. They also recognize that individuals acquire characteristics of cultures during the early stages of life, frequently through an unconscious process. Scholars state that culture takes time to form and, therefore, it does not change rapidly. According to Trompenaars and Hampen-Turner, culture is like an onion (1993). Its outer layers show the most noticeable characteristics, such as artifacts and symbols. These have been traditionally the focus of anthropologists (Taras, Rowney, & Steel, 2009). While the outer layers exhibit the objective elements of cultures, the inner layers cover their subjective elements, such as values, norms, and assumptions.

Early studies of culture in the management field followed the anthropological tradition. Using qualitative methods, these studies focused on the outer layer of customs, traditions, protocols, and different ways to do business in varied groups (Taras et al., 2009). These outer layers of culture are also the focus of those researchers using institutional perspectives and studying the economic, legal, and political domains. An institutional perspective is common in studies conducted at the macro-level.

In contrast, those management scholars focusing on the inner layers (i.e. subjective culture) prefer quantitative methods to study cultural values, attitudes, and behavior on business practices. Their concerns, strongly influenced

by Hofstede (1980), include work-related factors and their consequences, and they explore these through defining and measuring cultural dimensions. Cultural dimensions are prominent in studies at the micro-level. Studies in global management, with a cultural perspective, often focus on values (Gelfand, Erez, & Aycan, 2007; Kostova, 2004).

As reported by Taras et al. (2009), theoretical frameworks focused on the inner layers of culture typically consist of a set of dimensions representing cultural values, attitudes, or practices. Most of them use “country” as a proxy of “culture.” They have four to eight unidimensional and bipolar factors. Although they use different methods to calculate dimension totals, most collect data via self-report questionnaires. Researchers frequently rank countries on these cultural dimensions and then compare them. With country rankings in mind, scholars have conducted comparative intercultural research for over 25 years, testing further inferences on work-related behaviors and consequences (e.g. negotiation processes and outcomes). This chapter examines six of the most prominent theoretical frameworks of national cultures: (1) Hall’s notion of Context, (2) Hofstede’s 6D National Culture Model, (3) Trompenaars and Hampen-Turner’s 7D of Culture, (4) Schwartz’s theory of Basic Human Values, (5) The GLOBE project, and (6) Gelfand, Nishii, and Raver’s notion of Tightness-Looseness (see Table 6.1 for a summary).

## Hall’s Notion of Context

In 1977, Edward Hall divided culture into two groups—Low and High Context—depending on people’s communication style. Context refers to the information that surrounds a particular situation and whether or not this information already exists ‘within’ the communicating people.

### Low-High Context

In Low-Context communication, most of the information is conveyed in the explicit message. In High-Context communication, by contrast, most of the information necessary for meaning-making is considered to already exist within the communicating individuals. Very little information is in the explicit and coded part of the transmitted message. In High-Context cultures, people do not say what they can take for granted that the other will understand. High-Context cultures make a greater distinction between in-group and out-group people than Low-Context cultures do. When communicating

**Table 6.1** Theoretical frameworks of national culture

Theoretical framework	Cultural characteristics
Hall's Notion of Context	Low-High Context
Hofstede's 6D National Culture Model	Individualism-Collectivism (IDV) Masculinity-Femininity (MAS) Low-High Uncertainty Avoidance (UAI) Low-High Power Distance (PDI) Short-Long-Term Orientation (LTO) Indulgence-Restraint (IND)
Fons Trompenaars and Hampen-Turner's 7D of Culture	Universalism-Particularism Individualism-Communitarianism Specific-Diffuse Affective-Neutral Achievement-Ascription Sequential-Synchronic Time Internal vs. External
Shalom Schwartz's Theory of Basic Human Values	Self-direction Stimulation Hedonism Achievement Power Security Conformity Tradition Benevolence Universalism
The GLOBE Project	Performance Orientation Assertiveness Future Orientation Humane Orientation Institutional Collectivism In-group Collectivism Gender Egalitarianism Power Distance Uncertainty Avoidance
Gelfand, Nishii, and Raver's Notion of Tightness-Looseness	Tightness-Looseness
Author's own creation	

about something, High-Context people will expect their interlocutors to know what they refer to, so they assume there is no need to be specific.

Germanic, Northern European, and Anglo cultures prefer Low-Context communication. Asian, Middle Eastern, and Latin American cultures prefer High-Context communication. When negotiating, Low-Context people may adopt a more explicit and direct way of communication. Phrases such as “your proposal is unacceptable” or “this cannot be done” are typical of people from

Low-Context cultures, such as Germanic, Northern European, and Anglo. In contrast, negotiators of Asian, Middle Eastern, and Latin American cultures would feel more comfortable saying “This may be difficult, let’s see how it goes” or “I will try.” These cultures will avoid saying an explicit “no” in negotiation and, instead, politely disagree. Frustration and misunderstanding are typical when negotiators from different cultures do not understand each other and misinterpret communication.

Adair (2003) argues that negotiators of Low-Context cultures use and reciprocate direct information sharing more. By contrast, negotiators of High-Context cultures use and reciprocate offers and persuasion more. If negotiators understand these differences, they can adjust the way they communicate to match their interlocutor’s style or at least they can prepare a plan for correct interpretation of behaviors. The indirect communication utilized by High-Context cultures might confuse interlocutors of Low-Context cultures, who expect direct information sharing. This confusion might trigger lack of trust. By understanding the differences and adjusting their communication style, negotiators of High-Context cultures can avoid the risk of not being trusted.

## Hofstede’s 6D National Culture Model

One of the most influential bodies of research in the field of global management is the now-classic work of Hofstede (1980). In his initial work, Hofstede identified four major cultural dimensions: Individualism and Collectivism (IDV), Power Distance (PDI), Uncertainty Avoidance (UAI), and Masculinity-Femininity (MAS). Later, the Chinese Culture Connection (1987) raised the issue that these dimensions could be biased since they were based on Western values. Thus, Hofstede (1991) responded with a new dimension called, Short-Long-Term Orientation (LTO). Finally, in 2010, the sixth dimension, Indulgence-Restraint (IND), was added to complete the current 6D model.

Hofstede’s research was pioneering in the Management field; before 1980, no one had ever conducted a cultural project in the corporate world, using large-scale quantitative methods. He analyzed 115,000 questionnaires of IBM professionals in over 50 countries. Over the years, Hofstede helped to create the field of comparative intercultural research. Kirkman, Lowe, and Gibson (2006) reviewed numerous studies that used his framework. On reading the following summary of Hofstede’s (2001) six dimensions, keep in mind that all variables, according to Hofstede, are at a societal level and may not manifest in every individual.

### **Individualism-Collectivism**

IDV is the degree to which people integrate into groups. In individualist societies, the ties between individuals are loose. In contrast, individuals in collectivist societies integrate into strong groups. In these groups, members provide protection in exchange for loyalty. In individualist societies, values such as independence and achievement of the individual are more relevant than the well-being of the group.

### **Masculinity-Femininity**

MAS is the degree to which people prefer achievement, competition and assertive behavior over social, feminine values, such as cooperation and modesty.

### **Low-High Uncertainty Avoidance**

UAI refers to the inclination of people to pursue or avoid uncertain situations. Those in high UAI societies prefer to reduce the level of uncertainty by having clear structures and regulations. Meanwhile, those in low UAI societies are more willing to accept uncertainty and do not need strict regulations.

### **Low-High Power Distance**

Low-High PDI refers to the degree to which members of a society accept—or even expect—hierarchical differences in social relationships.

### **Short-Long Term Orientation**

People in Long-Term-Oriented societies pay more attention to values that relate to the future. For example, perseverance and thrift. For them, history and traditions are important.

### **Indulgence-Restraint**

A society ranking high on Indulgence-Restraint (IND) is one in which free satisfaction of basic human impulses related to enjoying life and having fun

prevail. In contrast, a society ranking low in IND is one which prescribes against satisfaction of these needs and regulates them through strict social norms.

Using five dimensions of the 6D model, Hofstede, Jonker, and Verwaart (2012) emphasize that negotiators behave differently across cultures. Negotiators of Low PDI cultures are accustomed to making decisions and are usually empowered to negotiate. However, in High PDI societies, only the powerful dictate conditions. Therefore, the less powerful are not fully committed when negotiating since they know they are not empowered to reach outcomes on their own. An experienced negotiator who understands these differences will make sure that those he or she negotiates with are capable of making important decisions, or, if this is not possible, he or she will make plans that allow waiting until those on power make up their minds.

Hofstede et al. (2012) assert that uncertainty-avoiding negotiators have an emotional style of negotiation, while uncertainty-tolerant negotiators have a relaxed style of negotiation. Any experienced negotiator understands that if a deal implies drastic changes, those ranking high on UAI will be difficult to convince. Therefore, he or she will plan to reduce opposition through reducing or downplaying the risk involved. Collectivistic negotiators must form relationships before closing a deal, since they discriminate between in-group and out-group partners. In contrast, individualists aim for satisfying their personal interests. When making a proposal during the negotiation process, the experienced negotiator will pay attention to these differences and frame his proposal in consonance with them. According to Hofstede et al. (2012), Long-term oriented negotiators are pragmatic and look at the bigger picture. Therefore, they will likely show patience. In contrast, Short-term oriented negotiators think in terms of moral principles and apply them to the immediate present situation. Furthermore, individuals with different cultural preferences of Short-term and Long-term orientations may value negotiation proposals for payment over extended periods differently.

## **Fons Trompenaars and Hampen-Turner's 7D of Culture**

Trompenaars and Hampen-Turner's (1993) model of 7D of culture includes five dimensions related to the ways people deal with each other, one dimension about the way people understand time, and another dimension about the way people relate to the environment. The seven cultural dimensions are:

## **Universalism-Particularism**

People with a universalistic culture believe that rules, codes, values, and standards take precedence over particular needs and claims of friends and relations. In universalistic societies, the rules apply equally to all members. Since exceptions weaken the rule, they should not exist. Conversely, people in a particularistic culture give preference to human friendship and relationships. People are compelled to analyze particular situations separately. In particularistic societies, the “spirit of the law” is more important than the “letter of the law.”

## **Individualism-Communitarianism**

Individualistic societies put the individual’s happiness, fulfillment, and welfare before the community’s. In individualistic societies, people take care, primarily, of themselves and their immediate family. They are supposed to decide issues on their own. By contrast, Communitarian societies place the community before the individual. People in a Communitarian society are responsible to act in ways which serve society.

## **Specific-Diffuse**

People in specific societies believe that the whole is the sum of the parts. They prefer to first analyze the elements of a situation separately and later put all them back together. Human life is segmented, and others can only enter one segment at a time. Interactions between people should have a well-defined purpose. Individuals in a specific culture focus on hard facts, standards, and contracts. People from Diffuse cultures understand the world the other way around. They first see the whole and revise each component in perspective of the total. For Diffuse societies, the whole is more than just the sum of its parts. Components of a whole relate to each other. These relationships are more important than each separate component. The various roles someone might play in life are intertwined.

## **Affective-Neutral**

Affective societies accept people’s display of emotions. There is no need to hide feelings or to keep them on the inside. On the other hand, people in neutral societies learn that it is incorrect to show one’s feelings overtly. Neutral people certainly experience emotions, but they just do not show them that easily.



## **Achievement-Ascription**

People in Achievement societies acquire their status from what they have accomplished. Everyone has to prove what she or he is worth. Status depends on behavior, and even more so on results. By contrast, people in Ascribed societies obtain their status from birth, age, gender, or wealth. They earn status from their position in the community or in an organization.

## **Sequential-Synchronic Time**

The dimension of Sequential-Synchronic time relates to the relative importance cultures give to the past, present, and future, as well as to their approach to structuring time. People oriented toward the past see the future as a repetition of former experiences. They respect history and ancestors. On the other side of the spectrum, for people who are oriented toward the future, the past is not that important. For them, planning represents a major activity. In between, present-oriented people focus on day-by-day experiences. People structuring time sequentially tend to do one thing at a time. For them, time is tangible and divisible. They strongly prefer to perform plans they have made, and they commit seriously to schedules. On the other hand, people structuring time synchronically usually do many things at a time. They conceptualize time as flexible and intangible. Plans are easily changed and time commitments are aspirational rather than absolute. Frequently, this occurs because in Synchronic societies promptness depends on the type of relationship.

## **Internal Versus External**

This dimension relates to the way people deal with the environment. Internal people have a mechanistic view of nature. They do not believe in luck or predestination, and they are self-directed. External people have a more organic view of nature. For them, humanity should function in harmony with the environment and go along with its forces. External people do not believe that they can entirely guide their own destiny.

According to Livermore (2013), the Universalist approach is common in Western countries, for instance, Western Europe, United States, Canada, Australia, and New Zealand. If we visit those countries, we'll find that prices of entertainment, for example, won't vary depending on who you are. Conversely, in the Particularist approach typical to Asian and Latin American countries, as well as Russia, they will vary. When traveling around the globe, Livermore

highlights that one can view differences in negotiation, such as whether it is customary to haggle over the cost of an item or whether there is a different cost for foreigners than there is for people who live in the country. An example of the Neutral versus Affective distinction can be found in the way that people from neutral cultures, such as the British or the Japanese, do not easily reveal their emotions when they negotiate. In contrast, those from affective cultures such as the Italian and the Latin American demonstrate a wide range of physical gestures and facial expressions.

Differences between Sequential and Synchronic Time can be identified by the way negotiators from different cultures manage negotiation time and pace. For instance, strict punctuality and compliance with the agenda are expected characteristics of the Japanese and the German negotiators. Negotiators from a culture with a sequential grasp of time will relate to a time line for meetings or for compliance with agreements quite differently than negotiators from cultures with Synchronic grasp of times.

## Shalom Schwartz's Theory of Basic Human Values

Schwartz (1992) offered a conceptually different approach. He based his model and theory on general values rather than focusing solely on work-related values. Later scholars adopted his framework to understand cultural differences in conflict resolution (Morris et al., 1998). Here are the ten general values Schwartz proposed:

*Self-direction*: Independent thought and action—choosing, creating, and exploring.

*Stimulation*: Excitement, novelty, and change in life.

*Hedonism*: Pleasure and sensuousness, gratification for oneself.

*Achievement*: Personal success through demonstrating competence according to social standards.

*Power*: Social status and prestige, control or dominance over people and resources.

*Security*: Safety, harmony, and stability of society of relationships and of self.

*Conformity*: Restraint of actions, inclinations, and impulses likely to upset or harm others and violate social expectations or norms.

*Tradition*: Respect, commitment to, and acceptance of, the customs and ideas that traditional culture or religion provide the self.

*Benevolence*: Preserving and enhancing the welfare of those with whom one is in frequent personal contact (the in-group).

*Universalism*: Understanding, appreciation, tolerance, and protection for the welfare of all people and for nature.

Kopelman and Rosette (2007), using Schwartz's (1992) model of basic human values, compared East Asian and Israeli negotiators in terms of how their values influenced negotiation processes. They found that the Eastern Asian cultural value of respect was not compatible with the display of negative emotions in the setting of an ultimatum bargaining. In contrast, Israeli negotiators did not shy away from direct confrontation. In fact, they explained, Israelis typically expect straight talk and often are perceived by others as rude or aggressive.

## **The GLOBE Project**

After a review of available literature, the GLOBE project (Global Leaderships and Organizational Behavior Effectiveness) conceptualized and developed measures of nine cultural dimensions. A major focus in this project was to understand leadership and organizational behavior globally (House, Hanges, Javidan, Dorfman, & Gupta, 2004).

The overlap between the GLOBE dimensions and the Hofstede dimensions are quite substantial, although there is no agreement with regard to the extent of the overlap (Hofstede, 2006; Javidan, House, Dorfman, Hanges, & Sully de Luque, 2006). One important difference is that GLOBE studies cultures in terms of both their cultural practices (the ways things are) and their cultural values (the way things should be). In the GLOBE project, 170 researchers worked together for ten years collecting and analyzing data on cultural values, practices, and leadership attributes from over 17,000 managers in 62 societal cultures. The participating managers were employed in various industries. Scholars studied the effects of these dimensions on expectations of leaders. The nine cultural dimensions are as follows:

### **Performance Orientation**

The degree to which a collective encourages and rewards (and should encourage and reward) group members for performance improvement and excellence.

### **Assertiveness**

The degree to which individuals are (and should be) assertive, confrontational, and aggressive in their relationships with others.

**Future Orientation**

The extent to which individuals engage (and should engage) in future-oriented behaviors such as delaying gratification, planning, and investing in the future.

**Humane Orientation**

The degree to which a collective encourages and rewards (and should encourage and reward) individuals for being fair, altruistic, generous, caring, and kind to others.

**Institutional Collectivism**

The degree to which organizational and societal institutional practices encourage and reward (and should encourage and reward) collective distribution of resources and collective action.

**In-group Collectivism**

The degree to which individuals express (and should express) pride, loyalty, and cohesiveness in their organizations or families.

**Gender Egalitarianism**

The degree to which a collective minimizes (and should minimize) gender inequality.

**Power Distance**

The degree to which members of a collective expect (and should expect) power to be distributed equally.

**Uncertainty Avoidance**

The degree to which a society, organization, or group relies (and should rely) on social norms, rules, and procedures to alleviate unpredictability of future events.

Next, researchers identified ten regional clusters out of the 62 societal cultures: Latin America, Anglo, Latin Europe, Nordic, Europe, Germanic Europe, Confucian Asian, sub-Saharan Africa, Middle East, Southern Asia, and Eastern Europe.

An example of the use of GLOBE in negotiation is exhibited by Balbinot, Minghini, and Borim-de-Souza (2012). They used GLOBE dimensions to study the behavior of Brazilian managers. Their research findings showed that Brazilians who occupied positions of power tried to increase their distance from individuals with less power, demonstrating the presence of PDI in this culture. In addition, Brazilians maintained close contact with international associates via telephone or email in order to reduce UAI. Finally, Brazilians sustained a friendly posture, in line with their cultural traits, instead of a more assertive one, as typical to their European partners. Negotiation preferences, such as those identified by GLOBE in the case of Brazilians, can influence both process and outcome in negotiations. Therefore, they should be taken into consideration when planning negotiation processes.

## **Gelfand, Nishii, and Raver's Notion of Tightness-Looseness**

### **Tightness-Looseness**

The notion of tightness-looseness refers to the strength of social norms for regulating social behavior. Gelfand, Nishii, and Raver (2006) argued that this important cultural dimension was ignored because of the dominance of value frameworks in global management research. To address this gap, they proposed a multilevel model of looseness-tightness.

Social norms in loose cultures allow more latitude for individual behavior. Thus, norm violations are subject to less social sanctioning than in tight cultures. Further, other researchers used this model to explain the influence of individual behaviors such as risk avoidance versus risk-taking on work-related behaviors.

Examples of tight cultures include Saudi Arabia, Afghanistan, and Japan where there is a prescriptive approach to how people should behave. In comparison, the culture of people in cities such as New York and London is loose. There are few rules, norms, and standards, and people freely question rules and have a "what difference does it make?" attitude (Livermore, 2013). When negotiating, be aware of these differences, and pay special attention to protocol when negotiating in a tight culture.

## Limitations of National Culture Frameworks

Most cross-cultural studies use country as a proxy of culture. Kawar (2012) explains that national cultures vary with regard to unconscious values. The assumption in cross-cultural studies is that, beginning with childhood, people embrace specific values, which remain relatively stable across later experiences. Taras et al. (2009) state that 75% of the publications in the field between 1995 and 2001 did research using country as a proxy of culture. They argue that the definition and operationalization of culture in this simplistic way could lead to problems. According to Bulow and Kumar (2011), objections to the cultural dimensions approach often focus on the relevance of national culture, the applicability of typologies that treat cultures as static, and the problem of ambiguous terminology. Others highlight that just one model of culture, with few dimension scores, cannot explain such a highly complex, multidimensional, and multilayered phenomenon (Taras et al., 2009).

Common solutions to these objections include the following: Open recognition of the challenges of generalization, avoidance of unjustified generalizations, and restraint in ascribing traits found for groups to individuals, or vice versa. When studies contradict each other, one should test their theoretical assumptions. In order to understand the influence of culture on work-related behaviors, such as negotiation, one should take into consideration that culture is not the only variable at play; the impact of other factors such as age, education, exposure to other cultures, and the occupation of the negotiators one deals with might all be more salient than culture itself in any particular interaction. Contextual factors such as the nature of the negotiation, the place where it takes place, or corporate policy may influence outcomes as well. Also, to appropriately compare studies, one should make sure the definitions and interpretations of their variables are the same (Bulow & Kumar, 2011).

Despite the fact that certain theories make perfect sense, management scholars have pointed out that some do not provide quantitative large-scale empirical data; such is the case, for example, of Hall's (1977) classification of communication style and Gelfand's et al. (2006) model of looseness-tightness. Thus, one needs to apply the frameworks carefully, making sure the described cultural characteristics match correctly to culture-specific cases. Thus, the correct application of these frameworks in practice depends on the ability of the negotiator to recognize the situation, validate theoretical assumptions and results in situ, and adjust their behavior accordingly.

In spite of criticism of theoretical frameworks of cultural dimensions, such as those targeting Hofstede's model (e.g. Baskerville, 2003; McSweeney,

2002a, 2002b), one must recognize their influence on the field. The usefulness of these theoretical frameworks is in the initial recognition of potential cultural differences and commonalities. By no means do they replace the fine-tuned steps of negotiation strategy and tactics. Experienced practitioners are aware that cultural dimensions should never be applied in a reductionist manner. When examining negotiators from any particular national culture, individual preferences may be very similar to, or very different from, the scores from that particular national culture.

Over time, theoretical frameworks of cultural dimensions and their practical application have spread widely. Thus, through the years, professionals have used models of cultural dimensions and country comparisons to understand varied work-related behaviors and, in this way, help people to work more effectively in more than one culture. Cross-cultural negotiation is a crucial work-related behavior in international business. Therefore, researchers have suggested explanatory models of how culture affects negotiations in terms of the stable, general, characteristics of the negotiators. Weiss (1994) suggests that when negotiators of different cultures understand each other's negotiation repertoire, they can interpret and adapt their strategies better.

While theoretical frameworks of cultural dimensions are extremely influential in the field of cross-cultural management, there are constant pleas for a shift in methods for advancing our understanding of culture and international business (e.g. Leung, Bhagat, Buchan, Erez, & Gibson, 2005). Accordingly, we now review other contemporary models and discuss their application in negotiation.

## Cultural Intelligence and Negotiation

In 2003, when most of the study of culture in the field of international business focused on differences among nations, Christopher Earley and Sue Ang coined the term Cultural Intelligence and the abbreviation "CQ" (Barnes, Smith, & Hernández-Pozas, 2017). CQ is the ability to function effectively in multicultural settings. CQ has four dimensions: CQ Knowledge, CQ Drive, CQ Strategy, and CQ Action.

Earley (2006) proposed to move away from conducting research about national values toward developing theories for understanding the connection among culture, perception, actions, organizations, and structures. Gelfand et al. (2007) lamented the fact that comparative research across cultural groups ignored the dynamics of culture in intercultural encounters and

identified CQ as a promising new approach and a novel construct for advancing research on effectiveness of intercultural encounters.

Later, Gelfand and Imai (2010) found that CQ improves intercultural negotiation processes and thereby outcomes. They highlighted that CQ can improve objective performance and self-reported affective outcomes, such as cross-cultural adjustment. They argued that there is a relationship between CQ and cooperative motives. Furthermore, Groves, Feyerherm, and Gu (2015) observed that high CQ negotiators facilitate cross-cultural negotiation performance outcomes through interest-based negotiation behaviors. Therefore, organizations should develop and assess CQ and encourage employees who negotiate across cultures to improve their Cultural Intelligence.

Tarique and Takeuchi (2008) state that international nonwork experiences positively influence higher levels of CQ. Ng, Van Dyne, and Ang (2009) emphasize the importance of experiential learning, beyond just living experiences, as a good way to develop CQ. Livermore (2015) explains that the best way organizations develop CQ is through using learning and developmental activities in which individuals can connect their training with their personal interests.

Barnes et al. (2017) suggest a CQ development framework divided into three phases. First, a pre-assessment with feedback. Second, CQ transformation activities. Third, a post-assessment with feedback. In the first phase, authors propose a personalized diagnosis. This shows how distant the individual is from others in similar clusters. An experienced facilitator can then use this report to trigger reflection by individuals seeking to develop CQ and to propose a developmental plan depending on the individual's objectives and priorities. Transformation activities include those grounded in internal and external communities as well as teaching learning tactics, such as the use of films, experiential activities, socially conscious assignments, code switching, and controlled disequilibrium creation. The last phase is the evaluation or post-assessment. In this phase, individuals can compare how well they have developed CQ and continue planning new developmental agendas.

## Global Negotiators

Brett (2001) advised those interested in becoming effective negotiators in a global environment to recognize that culture matters and to be prepared for cultural differences they will encounter at the negotiation table. What are those cultural differences that matter the most? Today, the global negotiator



should be able not only to know about and adjust to cultural differences at the national level but also to identify when other cultural differences influence negotiation processes and outcomes.

Taras et al. (2009) argue that years ago, nationalities—and sometimes regional or ethnic differentiation—were probably acceptable proxies for culture. However, in today's global village, geographical boundaries could be less relevant. One might consider whether there may not be a greater variation in cultural values across generations, professions, interest communities, or socio-economic classes than across countries.

Despite the fact that not everyone has been exposed to people from other cultures, and there are many individuals who have not traveled the world extensively, there is a growing group of people who have done so. These individuals grew up in the age of globalization and may have had the benefits of an international education. They speak several languages and can code-switch effectively. Therefore, they do not portray cultural dimensions of the place where they were born. Their nationality does not really give a clue of who they are, making it difficult to predict their behaviors. They are cosmopolitan and quickly adjust to whatever style of negotiation they need to.

According to Katz (2006), competent international negotiators know themselves. Recognition of cultural differences between one's own country and one's counterpart's is the first step to understanding intercultural negotiation. Since negotiators benefit when they are capable of predicting how their counterparts might behave (Bulow & Kumar, 2011), the global negotiator should be able to identify salient cultural traits in their counterparts. Thus, theoretical frameworks of culture in general and culture-specific analyses are helpful and important frames of analysis for understanding and improving negotiations processes.

The global negotiator can investigate what his or her counterpart's attitudes are about time, gender, power, uncertainty, emotional display, extended family, protocol, authority, and hierarchies, just to name a few issues. Then, validate if their findings are aligned with national cultural theoretical frames or not. This would allow the global negotiator to make a quick assessment of whether their counterpart is cosmopolitan or conforms to their particular national culture. He or she could then decide on negotiation strategies and tactics that better fit the particular situation. Similarly, the global negotiator can observe their counterpart's patterns of communication. Are they direct and explicit in their communication messages or not? With this information, the global negotiator can adjust to communicate better and obtain negotiation goals.

Competent global negotiators often show respect, understand risks, prepare well, and pay attention to what is being said and what is not being said. They are adaptable, persistent, and patient (Katz, 2006).

## Final Thoughts

In this chapter, we reviewed six prominent theoretical frameworks of national cultures based on values and communication preferences. These can help negotiators of different cultures not only to improve their understanding of their interlocutors but also to acknowledge and reflect on their own cultural tendencies. Cultural dimension frameworks can be used to identify potential cultural differences and commonalities. By no means should they replace the fine-tuned steps of negotiation strategy and tactics. We should never apply them in a reductionist way. Remember, they describe societies, not individuals. Individual preferences may be very similar to, or very different from, the scores from a particular national culture. Since CQ improves intercultural negotiation processes and thereby outcomes, organizations should develop and assess CQ and encourage employees who negotiate across cultures to improve their Cultural Intelligence. The best way to improve CQ is through developmental initiatives, using experiential learning, that connect with the interests of the negotiator.

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