The Influnce of Difference Intercultural Factors on International Business Negotiation

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Abstract: Under the development of internet and transportation, countries in the word are gradually integrating into an interdependent system of economic globalization. As an important part of the business activities, the business negotiation has been affected as its important role of a part of the business activities. And as a kind of cross-cultural communication mode, international business negotiations'process due to the different culture background is very complex and fickle. The pace of China's economic integration into the economic globalization is accelerating, and Chinese bussiness and activities are more greatly infused in international economic division of labor and bussiness competition. In international business negotiations, as China's enterprises and individuals with from different countries, ethnic and cultural background of the partners, so in the midst of talks will inevitably face different culture exchange and collision. In this context, cultural factors have become an significant factor, which influences international business negotiations. This paper introduces the international business negotiation and its cultural factors, analyzes the concrete manifestation of the influence of cultural factors on the international business negotiation, and puts forward the strategies to deal with the barriers to cross-cultural communication.

Keywords: The influence factors, Business negotiation, Cultural diversity, Coping strategies.

1. Introduction

At present, the process of global integration is gradually accelerating, the connection between countries is becoming more and more close, and the competition between countries is becoming more and more fierce, the value conflict is becoming more and more intense, and the cultural collision is becoming more and more intense. The influence of culture on business negotiation is more profound than before. [1] In international businesses, there are a large number of cross-cultural businesses which involve countries coming from different cultural background. During doing business with company from other different culture, it is necessary for both sides to pay attention to the cultural diversity, the important influence factor. As a vital part of doing business, negotiation is the start point and decides the result of it. Therefore, businessman should have the knowledge of the influence of cultural diversity to negotiation and coping strategies. This academic paper attempts to analyze the key question above.

In the first chapter, the author will introduce the concept and embodiment of cultural diversity. Cultural diversity refers to differences caused by different cultures between people in different regions. Geert Hofstede, a famous Doctor of Arts Society, divided the cultural diversity into five main dimensions, and Edward·T·Hall presented the context of culture. Their research results will help people to understand the culture of all the world. The author mainly introduces three dimensions, including power distance, uncertainty avoidance index and individualism versus collectivism, and context of culture. In the second chapter, the author is mainly talking about the influences of cultural diversity on cross-cultural negotiation. There are four types of influence to negotiation, the first one is the negotiation style, the second is organization, the third is result, and the fourth is strategy. In the third chapter, the author will propose several coping strategies to solve the question caused by cultural diversity. These coping strategies are divided into three aspects chronologically, the first one is pre-negotiation which introduces the preparation work before negotiation, the second one is While-negotiation which includes verbal and nonverbal barriers presenting in the process of negotiation, and the final is post-negotiation which propose several matters needing attention.

In order to negotiate successfully, it is necessary for businessmen to grasp the cultural diversity in the cross-cultural business negotiations.

2. Concepts and Features of Culture

2.1. Concepts of Cultural Diversity

Cultural diversity refers to differences caused by different culture between people in different regions. Geert Hofstede did investigation, analysis and comparison the culture of over 50 countries in the world. In the field of international academy. Geert Hofstede is regarded as the authority of studying the cultural diversity and how cultural diversity affects the management strategy. As a famous Doctor of Arts Society, Geert Hofstede thinks that culture is a common psychological process of people in same environment, not a kind of individual characteristic.[2] People with similar education and life experience have this idea. There are differences between different people, paces or countries. This is the conflict between relationship thinking and contract spirit.In addition, appropriate emotional strategies can be used to promote the achievement of negotiation goals. For example, Chinese people will be affected by emotional factors in the negotiation process, while European and American people are calm, objective and businesslike in the negotiation process, so it is not suitable for playing emotional cards.[3] In the process of cross-cultural business communication and negotiation, the relationship thinking of Chinese people often conflicts with the contract spirit of westerners. When many Chinese entrepreneurs and businessmen go to western countries to discuss business cooperation projects, they tend to

subconsciously think that the first thing to do is to establish good relations with partners. Good friendship is the foundation of cooperation, and they are also good at establishing personal friendship before the establishment of cooperative relations, and regard it as the backing and guarantee of negotiations. However, westerners make a clear distinction between personal relationship and cooperative relationship at the company level. In the process of negotiation and cooperation, they only take contractual provisions into account and do not give too much consideration to interpersonal relationship, which is likely to cause displeasure or even misunderstanding in the process of mutual communication and ultimately affect business negotiation.If there is a conflict caused by cultural differences, it should be explained to the negotiation object in time, and the strategy of adjournment can be adopted to break the deadlock and give both sides more time to think and solve the contradiction. Or ask the local people familiar with the local situation to mediate, buffer the excitement of the conflicting parties, build a new communication bridge, provide a more comprehensive thinking Angle for the negotiation parties, alleviate the cultural conflicts, and ensure the smooth progress of the negotiation [4].

Ways of thinking, under the influence of different cultural backgrounds, the thinking mode of business negotiation between objects often differ in thousands ways, thinking of the same event can produce very different due to different ways of thinking and even the opposite, if the negotiations both sides communication or not in time can the perspective-taking, or is likely to cause the negotiations both sides intense conflict, and affect the business negotiation process, And even influence the outcome of negotiations[5]. There are many scholars have studied the way to measure cultural diversity. And some of them are so typical that people should pay more attention to. There are the study results of Geert Hofstede and Edward·T·Hall.

2.2. Power Distance

Power distance refers to the degree of power concentration and leadership authority, as well as the degree to which people in a society can accept the unequal distribution of power in an organization, that is, the social distance between employees and managers in an enterprise. Power distance refers to the degree to which people accept the uneven distribution of power in an organization. Generally speaking, the power distance index is high in eastern culture, and people's response to the unequal distribution of power is to accept or acquiesce. But in western cultures, the power distance index is low,and the "right consciousness" is deeply rooted in the hearts of people, This made them strongly resist the unfair distribution of power. The dreyfus incident reflects a clear sense of individual rights in western culture, the rank orientation is weak characteristic. Such an event, which led to the downfall of the cabinet government by a common injustice, could never happen in the society of eastern culture. Therefore, under the influence of cultural differences, the collision and impact between different values of different countries will be more intense, and the differences between the two sides of the negotiation will become more obvious, and it will be difficult to reach consensus, which may eventually lead to the breakdown of the negotiation[6].

The United States, for example, has a short power distance, and in this country workers tend not to accept the executive privilege. The subordinate considers that the superior is the same as himself in status and should not have special power and "special care". Therefore, in the United States, the relationship between subordinates and managers is more equal and harmonious. Employees are better at learning, making progress, and striving for personal status and interests so as to realize personal value. Relatively speaking, China has a large power distance, and the status symbol is very obvious. Superior privilege is taken for granted and is conducive to the exercise of superior power. However, these characteristics are not conducive to the relationship between employees and managers, and hinder the learning and progress of employees in the enterprise.

2.3. Uncertainty Avoidance Index

In any society, people try to prevent uncertain, ambiguous, situations that might threaten them.The urgency of preventing uncertainty is different in different nationalities, countries or regions. Generally speaking, in a society with a low uncertainty avoidance index, people generally have a sense of security, tend to a relax life attitude and encourage themselves to take risk. On the contrary, in the country with a high uncertainty avoidance index, people generally have a strong sense of urgency and gumption, and then easy to form an inner impulse to work hard.

For example, Japan, a country with a high index of uncertainty avoidance, has implemented total quality management (TQM) and long-term career employment (CLE) with great success. The so-called "total quality management" refers to a management method that takes quality as the center in the organization and the participation of all employees as the basis to achieve customer satisfaction and the long-term success of all employees and the society.Career long employment means that job seekers who have graduated from schools and be employed by company can work in the company until retirement, unless employees do not meet their responsibility. On the contrary, the United States is a country with low level of uncertainty avoidance index. It does not work for American to take the same policy of humanism. The total quality management which performed well in Japan dose not effect in the United States

2.4. Individualism VS Collectivism

Individualism refers to an loose form of social organization structure, In which all people attach importance to their own values and needs and seek benefits for themselves through individual efforts. Collectivism refers to a tight social organization structure in which Distinguish people usually distinguish between internal and external organizations of a group. The company's employees can help colleagues or their own team members, and hope to get help from others. In the form of group cooperation to complete the work and progress together. In the United States, People advocate individualism and attach more importance to personal achievements and development. Measuring individual performance it is an effective incentive policy to conduct individual competition among employees and reward employees by measuring individual performance. Both China and Japan tend to collectivism. Employees have an emotional dependence and sense of belonging to the organization and hope to achieve personal development on the basis of organization Development. Therefore, it should not be difficult for employees and managers to get along well with each other.

2.5. Context of Culture

American anthropologist Edward t. hall first put forward the concept of cultural context. The differences between high context and low context can better explain the diversity and difference of world culture. According to the main mode of cultural communication, hall divided different cultures in the world into high context and low context. In these two cultures, a sentence with the same word will have different meaning in high context culture and low context culture. Cultural high context, in the process of conversation, the expression and communication of information mainly depends on the context and atmosphere of the conversation. In other words, the creation and expression of information is not expressed by the language itself, but mainly depends on the communicative context. China, Japan, Africa and Latin America all belong to the high-context culture. On the contrary, in low-context, the creation and expression of information in this kind of social interaction mainly depend on the language itself, rather than the atmosphere and situation of the conversation. The United States, Canada and most European countries are low-context cultures.In short, the communication in high-context culture sometimes appears to be secretive and explicit. Communication in low-context culture is redundant and redundant. People in high-context and low-context countries have different preferences for speech and behavior. In America, people like people who can talk. In South Korea, the non-talkative are more trusted. In low-context cultures, people tend to pay attention to each other's language and their language is mostly literal; In high-context culture, the expressions, sitting posture, location, mood, gestures and other surrounding details of the two speakers all express a lot of information, which is the main source of information for the two speakers.

3. Influence of Different Intercultural Factors on International Negotiation

3.1. Influence on Negotiation Style

Negotiation style is the language, behavior and other expressive characteristics of negotiators from different cultural backgrounds in the process of negotiation.

China and the west are very different in negotiating styles. Chinese people attach great importance to social experience, have a strong sense of collectivism, and pay attention to the impact of the personal relationship with the negotiation object on the negotiation result. Therefore, they tend to enhance the goodwill of both parties by knowing the preferences of the other party in advance or by communicating about some negotiation matters in advance, which is more conducive to the smooth progress of the negotiation. On the contrary, westerners like individualism and heroism. They value time and efficiency. When negotiating, they prefer to go straight to the job and avoid doing too many things that are not related to the job.

Different values and ways of thinking will also influence the style of cross-cultural business negotiation. Under the influence of different cultural backgrounds, the differences in values and ways of thinking between the two sides in transnational business negotiations will have a direct impact on the final negotiation results[7].

Chinese people have a strong sense of collective and generally will strictly obey the arrangement of the superior and will not change the pre-negotiation plan without authorization. Westerners, on the other hand, are more flexible and have their own ideas. They may come up with some new ideas in the negotiation. In the process of negotiation, Chinese people may try to use some digressions or other activities to ease the pressure of negotiation and adjust the over-tense atmosphere. While westerners pay more attention to their working state, once they get into the working state, they are serious. In this case, two completely different negotiating styles can easily cause embarrassment. When both sides need to make decisions during negotiations, the western negotiators generally better decision - making, that is to say, Every major negotiator in the west have the right to make the final decision, and Chinese negotiators generally do not have decision - making power, Beyond the negotiation plan of the representative has no right to decide, may still need to report to the superiors or to make a decision after the group discussion. Which, leads to the decision between Chinese and western negotiators speed and time inconsistency, the negotiations have a significant impact on the schedule

3.2. Influence on Negotiation Organization

Different cultures have a great influence on the organizational structure of negotiators. For example, American companies consider the individual competence and expertise of the negotiator to be important. Their negotiating teams are often made up of several people, not just quantity but quality. To them, the complexity of the players means inefficiency. Japanese companies do the opposite. Influenced by the cultural hierarchy, the Japanese value the status of the negotiator rather than the individual's professional level. Therefore, the Japanese like to assign work to everyone, and everyone needs to do their own work well to improve the quality of work. In addition, americans have a strong sense of law, so in negotiations, especially in international business negotiations, americans will have their own lawyers present.

However, this American behavior will make the Japanese feel uncomfortable. For the Japanese, it is not appropriate to involve lawyers in business negotiations. The concept of time, that is whether punctuality determines people's action plan, has a wide and invisible influence on business negotiations. The most obvious is the difference in the time of daily negotiations. The world's smartest jews value time. In their opinion, time is money, wasting time is wasting life, wasting others' time is equivalent to crime. Japanese people value time. Working overtime is normal in Japan. If you don't work overtime, it will be considered abnormal. The Middle East and Latin America lack a sense of timing in negotiations. They don't want to work long hours or negotiate long hours. In negotiations, different time concepts sometimes lead to great changes in negotiations.

3.3. Influence on Negotiation Result

Due to cultural diversity in the process of international business negotiations, the value and stakeholders of the enterprise are different, so that the final outcome of the negotiations can be influenced. Different cultural backgrounds make different habits and ways of looking at problems. Things which we think is normal maybe impenetrable even evil in other countries. The heritage and integration of human culture are a subtle process. In the concept of Chinese traditional culture, it is can be understood to focus on collective interests, even sacrifice personal interests. However, this opinion can not be adopted in Western countries. In these countries, people pay more attention to

personal interests and strive for it in the face of interest.

3.4. Influence on Negotiation Strategy

Generally speaking, the strategy of negotiation refers to the sum of measures and means adopted by a negotiator in order to achieve a certain aim of negotiation. What's more, in the narrow sense, it refers to the strategic strategy. The strategy which we adopt to all the process of negotiate is very significant to the result of negotiation. Negotiation strategy cannot be separated from the cultural backgrounds. According to China's traditional culture, people should be veiled and gentle. Even if you want to refuse, people will not directly throw out their ideas. By comparison, Americans are extroverts who talk directly, express their emotion, and will not answer questions ambiguously. Using and adjusting negotiation strategy are helpful to promote the process of negotiations and protect the interests of both parties.

4. Coping Strategies to Cultural Diversity

4.1. Pre-negotiation

There is a lot of research and investigation to be done before a negotiation. Including the other party's business status, credibility and prior to the negotiation case. And the other side will send negotiators, his preferences, personality, habits. Pay more attention to the other party's bottom line, the biggest concessions you can make, and the other party's goals and interests. In addition, we need to know each other's customs, policies and laws. Make arrangements according to your own situation. Chinese like to plan everything, because they are not good at dealing with the problem of emergency conflict. Except for investigating the relevant information, company also needs to do a proper reception job which contributes to leave a good impression to both sides before negotiation. The negotiating party advocating individualism usually adopts the strategy of independent operation, and the team as a whole is relatively loose. In business negotiations with such enterprises, hierarchical strategy should be adopted to break the negotiating team of the other party one by one, so that the internal differentiation of the team will occur, shorten the negotiation process and increase the success rate of negotiation [8].

Words have different or multiple meanings in different cultures. Different cultures have different understandings of the same word or sentence. In early 1980, for example, u.n. secretary-general waldheim flew to Iran to resolve the hostage situation, saying in his speech, "I am here as an intermediary, seeking some kind of compromise." Less than an hour after the speech was broadcast, angry iranians threw stones at his car, dealing a serious setback to his efforts. In Persian, the word "compromise" has the negative meaning of "depravity" and "depravity". Similarly, "intermediary" means "intervener" and "uninvited guest". Mr. Wald's words were seen by iranians as a provocation.

Therefore, different understanding of the same sentence can sometimes cause great deviation in the negotiation. Sometimes, even if you speak a language, you can't quite master it, and you can't quite understand the subtext. Different cultures have different descriptions of the same thing, namely language. In order to fully understand it, there must be detailed communication, descriptions, case studies and explanations. A true bicultural translation can help negotiators respond with correct sentences and have a decisive impact on the whole negotiation process.

4.2. While-negotiation

4.2.1. Verbal Barriers

In general business negotiations, it is necessary to state the problem and state the opinion concisely. However, in international negotiations, cross-cultural factors make it difficult for each party to fully understand the other party's information, so it is necessary to pay more attention to the detailed interpretation of the information. For not easy to understand the professional nouns or idioms to avoid, if there is a reference to try to attach an explanation, in order to understand each other.

4.2.2. Nonverbal Barriers

First nonverbal disorder, eye contact: In some countries, looking someone in the eye during a conversation is a sign of respect, while in others it is an invasion of privacy. For example, in China, people should look at each other, but avoid long eye contact, which means disrespect to each other. In Europe and North America, eye contact represents sincerity and a desire for trust. If the other person looks you in the eye and talks, it means he/she is eager to make you believe him/her.

The second nonverbal disorder is facial expression. People often have various expressions on their faces when they are talking. Smile and anger mean different things in different cultures.

For smiling, westerners usually smile at others first. While Japanese people don't often smile, because they don't like to impose their feelings on others. Chinese people smile at strangers, which may sometimes be considered as mentally abnormal. But many times even in the same country, the meaning of a smile is also divided into many kinds, we need to slowly understand. In terms of anger, different cultures show different ways and the power to express anger. In western cultures, frowning is a relatively mild way to express anger. Japanese frown in public. It is very necessary to understand the meaning of facial expressions in different cultures. It is helpful to master facial expressions and nonverbal behaviors of cross-cultural negotiators. It can help them gain an advantageous position in international business negotiations.

The third nonverbal disorder is body language.

Body movement is also an important way to create and convey information. For example, in some public places, shaking hands has become a widely accepted way of greeting, especially the first time we meet. But the act of shaking hands can be interpreted in many different ways. The tightness of the handshake and the etiquette of shaking hands with the opposite sex vary from culture to culture. In response to the increasingly wide range of international business negotiations, the negotiators must understand the cultural diversity, and flexible use, have the ability to combine sensory information and negotiation skill, make us fully understand the needs of each other in international business negotiation and changes, grasp the initiative of negotiation to maximize the interests of both sides to mutual benefit and make win-win results.

4.3. Post-negotiation

After the business negotiation, if the negotiation is successful, both parties have entered into a state of cooperation. The implementation of the treaty reached in the negotiation will also be affected by cross-cultural factors. After the negotiation ends, both sides go back to carry out

respectively. Chinese emphasize interpersonal relationship, and their contracts often only involve the rights and obligations of both parties in the negotiation. And dispute resolution tends to rely on long-term relationships rather than legal systems. In western countries, such as the United States, contracts are often very long. In addition to each other's rights and responsibilities, there are many details, such as the law. Therefore, in the process of implementation, party b shall understand the needs and habits of the other party and try to act according to the wishes of the other party. Whether it is in accordance with Chinese interpersonal relationship and long-term cooperation or the laws of the United States, we should take into account the habits of both parties and seek a mutually acceptable way of implementation to avoid unnecessary troubles.

5. Conclusion

Every culture is a complete and unique system, no matter it is written language, body movements or facial expressions, it has its unique meaning. International business negotiation is a cross-cultural business negotiation, in which problems caused by cross-cultural factors will inevitably be encountered. This kind of negotiation between people with different ways of thinking, feeling and behavior is more difficult than negotiation in a single cultural environment. In negotiations, the two sides have great differences in their negotiating styles, and sometimes the difficulties at the negotiating table are completely caused by different styles. Therefore, understanding the different styles of negotiation between the two sides is helpful for us to find the correct way of communication, find the real cause of misunderstanding or antagonism between each other, and avoid the trouble caused by wrong understanding of language expression. Understand the culture of the other side of the negotiation, make the whole negotiation more smooth, achieve the desired results is what a good negotiator should do. Different cultures have different influences on negotiation, and negotiators from different cultural backgrounds also have different negotiation styles. In the process of negotiation, we may encounter some problems. If we are not careful, the negotiation may fail, causing unnecessary loss of managers and interests. Establish the business negotiation personnel training system, enrich the business negotiation personnel reserve, solve the problem of the shortage of business negotiation personnel from the root;

At the same time, different measures are taken to improve the professional skills and quality of the commercial negotiators, to establish a solid talent base for our enterprise cross-cultural commercial negotiations [9].

What negotiators need to do is to understand and recognize each other's cultural background, have the ability to deal with the problems that may occur in the negotiation process, and on this basis to promote a good negotiation result.

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