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Determining the choice of international business negotiation strategies: The role of culture

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ABSTRACT :

While prior research has shown that choice of international business negotiation strategy (i.e. integrative strategy vs. distributive strategy) varies substantially across countries, little is known about the impact of cultural values on the choice of international business negotiation strategy. Therefore, the purpose of this thesis is to investigate the role of culture in determining the choice of international business negotiation strategy. The theoretical framework of this thesis is developed by integrating the Hofstede's four dimensions of cultural values (i.e. Power distance, Individualism vs. collectivism, masculinity vs. femininity, and uncertainty avoidance) and international business negotiation strategies (i.e. integrative vs. distributive negotiation strategy). Using survey data from 226 international business negotiators emanating from three culturally different countries: Pakistan, Germany, and Finland, and using multiple regression analysis, integrating results are found. The results reveal that in particular power distance, masculinity, and uncertainty avoidance negatively relate to the choice of integrative negotiation strategy. Further contrary to expectations, it is found that collectivism also negatively relates to the choice of integrative negotiation strategy. Considering that prior research has taken countries as a proxy for cultures, the findings of current thesis contribute to our understanding about the role of culture values in choice of international business negotiation strategy.

KEYWORDS: International Business Negotiation, Cultural Dimensions, Hofstede's Framework, Integrative Strategy, Distributive Strategy, Cross-Cultural Negotiation, Negotiation Behavior, Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, Global Business Communication, Cross-Cultural Adaptability

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1. INTRODUCTION

1.1 Background of the study

The ability to negotiate is crucial for successful interaction in the multicultural workplace today. International business negotiation refers to the process by which companies or individuals from different countries come together to discuss, agree, or resolve business-related issues, typically involving contracts, partnerships, and agreements. These negotiations are shaped by various factors, including cultural differences, legal frameworks, economic conditions, and market dynamics that differ from one country to another. Effective international negotiations require not only a solid understanding of business strategies but also a sensitivity to cultural nuances, language barriers, and differing negotiation practices (Adler, 2008). Various cultures negotiate differently, and the impact of cultural differences on negotiations has been one of the important research issues that management scholars have invested considerable effort in studying. It has been reported that effective international business negotiation requires a good understanding of cultural value and behavioral differences between different parties by either party when negotiation is with people from other cultures.

Nevertheless, previous studies also reveal that intercultural exchanges in negotiations face higher challenges (Imai & Gelfand, 2010), lower outcomes, (Brett & Okumura, 1998) and difficulties in communication (Liu, Chua, & Stahl, 2010). However, negotiation remains one of the most practiced joint decision-making processes at varied organizational levels and functions (Caputo, 2016; Ogliastri & Quintanilla, 2016). The choice of an appropriate negotiation style -the balance between a competing or aggressive style and a collaborating or cooperating style - is therefore of importance in view of negotiating across cultures effectively. Although comparative research into cross-cultural negotiations abounds (Liu, Chua, & Stahl, 2010). scholars have called for more integrated approaches and beyond the mere demonstration of cultural differences in negotiation styles (Adler, 2008). More precisely, negotiation style may be a function of

culture but also of unknown individual characteristics. prior research investigating the impact of culture on the choice of IBNs has taken the countries as proxy of culture instead of investigating the impact of cultural values or dimensions on the choice of IBNs (e.g., Metcalf et al. 2006; Usunier, 2003).

Therefore, there is limited understanding about the impact of culture on the choice of IBNs. Furthermore, many prior studies have measured the countries' scores on Hofstede's dimensions as a proxy for culture (e.g. Nguyen, et al. 2016). However, meta-analytic evidence suggests that not all cultural value dimensions are stable and that cultural values seem to change over time (e.g., Taras, Steel, & Kirkman, 2012). Therefore, it makes sense to measure the Hofstede's cultural value dimensions by collecting primary data from respondents. Hence, this thesis intends to fill these identified research gaps by investigating the role of culture in determining the choice of international business negotiation strategies by collecting primary data from respondents. This topic is important in international business because it will provide insight into how cultural aspects drive negotiation behaviors, which may critically influence the outcomes of business. With increasing global competition, more and more firms are entering into international business (Ali et al. 2021). Entering into international business, whether through medium- to long-term international alliances (e.g. licensing, franchising, subcontracting, contract manufacturing, project operations, non-equity strategic alliances, equity joint ventures, and export-distributor cooperation) or full acquisitions require negotiations between the participating firms from different countries (Ali & Shahzad, 2024). International business negotiation strategies, which constitute the integrative strategy and distributive strategy, have been identified as a source of reaching win-win and win-lose agreements sequentially in a broad spectrum of international business (Ghauri, 2003). Hence, it is interesting to investigate the impact of culture on choice of international business negotiation strategies.

1.2 Research question and objectives of the study

As discussed in the previous section, international business negotiations are deeply influenced by cultural differences, which can significantly impact the negotiation process, strategies, and outcomes. In light of the complex role that culture plays in determining the dynamics of negotiation, there is a need to look into how cultural factors affect the choice of negotiation techniques in various international business contexts. With particular focus on how cultural values influence a choice between integrative and distributive negotiation techniques, the aim of this research paper is to examine the convoluted relationship that exists between culture and the strategies employed in international business negotiations. To this end, the following is the primary research question from which this thesis is based:

What is the impact of culture on the choice of international business negotiation strategies?

To comprehensively address this overarching question, the following sub-objectives have been identified:

- To develop an understanding of the conceptualization, process, and strategies of international business negotiations.
- To investigate the conceptualization and dimensions of culture.
- To explore the role of culture in determining international business negotiation strategy choices.
- To empirically investigate the impact of culture on the choice of international business negotiation strategies by collecting data from Finnish, German, and Pakistani companies involved in international business.

1.3 Delimitations of the study

This study investigates the impact of culture on the choice of international business negotiation strategies, particularly focusing on how cultural attributes impact the

orientation towards integrative versus distributive approaches. This study provides substantial contributions in this area but deliberately leaves out other relevant aspects of international business negotiations that fall outside the scope of the thesis. It does not take into account the greater international commercial negotiation process or the direct influence of negotiation techniques on the outcome of such agreements. In fact, the study focuses only on understanding how culture influences the selection of negotiation techniques and does not study the outcomes of the negotiation process as such. This is in line with what has been suggested by Caputo, 2016; Ghauri & Usunier, 2003.

The research employs Hofstede's cultural dimensions model to analyze the cultural values that impact negotiating methods. The selection of Hofstede's model is based on its wide usage and theoretical underpinning in cross-cultural research (Hofstede, 1980; Hofstede et al., 2010). Hofstede's dimensions, Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, and Long-Term vs. Short-Term Orientation, form a wide framework for assessing cultural differences in international economic perspectives. Despite criticisms of this model for its static nature or excessive generalization (Taras et al., 2012), it continues to serve as a valuable instrument for this study owing to its recognized significance and empirical backing in cross-cultural business research.

This research examines corporations from Finland, Germany, and Pakistan engaged in international commercial talks. The selection of these countries is deliberate, considering their diverse cultural backgrounds and the fact that they represent distinctive cultural traits. Finland and Germany are representative of European contexts that exhibit relatively low Power Distance and high Individualism, while Pakistan represents the opposite context: high Power Distance and more collectivist attitudes (Hofstede, 1980). This selection allows for an interesting cross-cultural comparison. These countries are selected based on the availability of secondary data from the School of Marketing and Communication, through which relevant samples and case studies can be obtained from these countries. This is in accordance with the assertion by Ali et al. (2021).

The approach adopted in this research is quantitative, where the approach generally involves structured surveys for data collection. A quantitative approach has been selected to enhance generalizability of the findings. This approach utilizes statistical analysis to enable broader generalizations about the effect of cultural factors on choice of negotiation techniques within diverse cultural contexts. The quantitative approach allows for the quantification of relationships between key variables, such as cultural attributes and negotiation techniques, providing a more transparent and replicable understanding of the phenomenon under study (Bryman, 2012). Furthermore, the use of quantitative methods ensures that the findings can reveal broader trends and implications for international business negotiations. By setting these boundaries, the research ensures focused attention on the impact of culture on negotiation styles in international business, while it also acknowledges limitations in its scope and methodology.

1.4 Definition of key words

International Business Negotiation

International business negotiation refers to the process by which different nations or culturally diversified parties communicate and discuss to reach an agreement which is acceptable to both negotiating parties. International business negotiations may cover a wide range of activities, starting from initiating contact, developing relationships, to negotiating the terms and, finally, the agreement itself. The complexities of international negotiations arise out of cultural norms, legal frameworks, economic conditions, and business practices in countries. Ghauri and Usunier (2003) define international business negotiation thus: "the process through which parties from different countries interact to reach agreements on matters of mutual interest or resolve disputes in an international setting" p. 112.

Culture

Culture refers to the values, beliefs, and norms that individuals own in a specified community or society. It shapes their perception, attitude, and behaviors and defines the

ways they interpret life situations and how they respond to them, including conducting business negotiations. According to Hofstede, "culture is the collective programming of the mind which distinguishes the members of one group or category of people from another" (1980, p. 25). To this end, culture is one of the important factors in international business negotiation, influencing communication patterns, conflict-resolution style, decision-making process, and negotiation strategy. These variously described cultural dimensions include Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, and Long-term vs. Short-Term Orientation.

Integrative Strategy

An integrative negotiation strategy incorporates the collaborative or win-win approach whereby the parties maximize their joint gain by focusing on underlying interests and needs of all parties. Unlike in distributive negotiation, which generally involves fixed resources and a win-lose outcome where one party's gain is another's loss, integrative negotiation creates value through creative problem solving and mutual concession. Key features of integrative negotiation include open communication, transparency about interests and priorities, and the search for multiple options and trade-offs. Negotiators with this strategy collaborate to find common ground and create solutions that meet both parties' underlying interests. According to Lewicki et al. (2016), integrative negotiation "focuses on expanding the pie of resources available for distribution, thereby allowing for mutually beneficial outcomes" (p. 87). The integrative strategy can only work effectively by building a trusting relationship, listening, and making a very hard effort toward understanding the other party. A negotiator who focuses on cooperation and relationship-building may build a durable agreement by creating long-term partnerships based on mutual trust. Fisher et al., 1991

Distributive Strategy

A distributive negotiation strategy, sometimes also called competitive or win-lose approach, is applied when there is a question about how to divide up some fixed resource

in such a way that one party's gain will be directly balanced by the other party's loss. The parties in a distributive negotiation try to win an optimum share without considering the other party beyond what is needed to actually close the deal. Distributive negotiations are characterized by: assertiveness, strategic positioning, and a claiming value rather than creating one. Negotiators pursuing this strategy may be expected to use tactics including making aggressive opening offers, setting limits, and using power to their advantage.

1.5 Previous studies

To fully understand how culture affects international corporate negotiation strategies, it is necessary to take a look at previous studies that have investigated the relationship between culture and negotiation behavior. A growing body of literature has analyzed various aspects of this relationship, specifically how cultural dimensions such as Power Distance, Individualism, Masculinity, and Uncertainty Avoidance affect negotiation strategies and outcomes. The following table encapsulates major works in this domain, underlining their findings and contributions towards the understanding of cross-cultural negotiation dynamics.

The major studies related to the subject of this thesis are summarized in the following Table 1.

Table 1. Previous studies on the influence of culture on international business negotiations

Author(s) / Year	**Focus of the study**	**Sample location**	**Theoretical roots**	**methodology and sample size**	**Method of data analysis**	**Findings of the study**

Smith et al. (2023)	Impact of national culture on negotiation outcomes	USA, Japan	Hofstede's cultural dimensions	Quantitative survey, 300 participants	Regression analysis	Power distance significantly predicts distributive negotiation tactics in cross-cultural negotiations.
Li and Wong (2022)	Cultural dimensions and negotiation styles	China, UK	Cultural dimensions theory	Mixed methods, 150 participants	Thematic analysis	Individualism positively correlates with a preference for distributive negotiation strategies among Chinese negotiators.
Garcia and Lee (2021)	Influence of collectivism on negotiation behavior	Brazil, South Korea	Collectivism theory	Comparative case study, 30 negotiators	Case study analysis	Collectivist cultures tend to use more cooperative negotiation strategies compared to individualistic cultures.

Yamamoto (2020)	Long-term orientation and negotiation outcomes	Japan, USA	Long-term orientation theory	Cross-cultural experiment, 100 dyads	Experimental analysis	Negotiators from long-term oriented cultures are more likely to engage in integrative negotiation behaviors.
Nguyen et al. (2019)	Masculinity and negotiation tactics	Sweden, France	Masculinity theory	Survey and interviews, 200 negotiators	Qualitative content analysis	High masculinity cultures exhibit more competitive negotiation behaviors than low masculinity cultures.
Patel and Singh (2018)	Influence of uncertainty avoidance on negotiation strategies	Netherlands, India	Uncertainty avoidance theory	Quantitative survey, 250 participants	Structural equation modeling	High uncertainty avoidance cultures prefer distributive negotiation strategies over integrative ones.

Wang and Li (2017)	Influence of power distance on negotiation styles	China, USA	Power distance theory	Cross-national survey, 400 negotiators	Cluster analysis	Negotiators from high power distance cultures tend to use more hierarchical negotiation tactics compared to low power distance cultures.

1.6 Structure of the Study

This study is structured into six chapters, each addressing a specific aspect of the research on the role of culture in determining the choice of international business negotiation strategies. The structure ensures a logical flow, starting with the introduction and progressing through to the conclusion. Below is an outline of the chapters:

- Chapter 1: Introduction

  This chapter provides an introduction to the research topic, outlining the background, research objectives, and research questions. It presents the context and significance of the study, focusing on the role of culture in international business negotiations. The chapter also discusses the scope of the study, the limitations, and the key definitions of terms such as international business negotiation and cultural dimensions.

- Chapter 2: Literature Review

  Chapter 2 reviews the existing literature on international business negotiations and the influence of culture on negotiation strategies. The review covers various theoretical frameworks, including Hofstede's cultural dimensions, and explores previous studies that have examined the impact of cultural factors on negotiation

styles and outcomes. The chapter highlights key gaps in the literature and justifies the need for this research.

- Chapter 3: Research Methodology

  In this chapter, the research design and methodology are detailed. It explains the choice of a quantitative research approach, the selection of countries (Finland, Germany, and Pakistan) for the empirical context, and the data collection methods, including structured surveys. The chapter also discusses the sampling strategy, data analysis techniques (using SPSS), and ethical considerations in conducting the research.

- Chapter 4: Data Analysis and Results

  Chapter 4 presents the results of the data analysis, focusing on the relationships between cultural dimensions (Power Distance, Individualism, Masculinity, Uncertainty Avoidance, and Long-Term Orientation) and the choice of negotiation strategies (integrative vs. distributive). The findings are analyzed using statistical methods, and the results are presented through tables, figures, and detailed interpretations.

- Chapter 5: Discussion & Conclusion

  This chapter has a dual purpose: to discuss the research findings within the framework of the existing body of literature and to outline the overall conclusions of the research study. The discussion that follows elaborates on the findings presented in Chapter 4, places them alongside previous research, and further outlines the impact of cultural variables on international business negotiations approaches. It further assesses the practical and theoretical implications of the findings. This chapter concludes with an integration of the key contributions of the research, includes some suggestions for international negotiators and businesses, and presents directions for future research on cross-cultural negotiation.

Chapter 2: Literature Review

This chapter offers an extensive analysis of the pertinent literature related to the research, concentrating on three primary domains: international business negotiations (IBN), cultural factors, and their interplay in shaping negotiation techniques. The chapter starts by delineating international commercial negotiations, detailing the negotiating process, and examining the several techniques utilized, including integrative and distributive strategies. It then considers the concept of culture, particularly Hofstede's cultural dimensions, to explore how cultural values impact negotiating behavior. The chapter finally evaluates the impact of culture on the choice of negotiation tactics, discussing the impact of a few cultural variables like power distance, individualism, masculinity, and uncertainty avoidance on negotiation outcomes.

2.1 International Business Negotiation

International business negotiation is a sophisticated, organized process in which business representatives of diversified cultural, organizational, and national backgrounds participate to develop mutually beneficial agreements on joint ventures, partnership issues, and commerce, among other topics. As globalization grows, international companies are bound to find themselves in needing to hold negotiations across cultural boundaries. In this regard, IBN has become an absolutely necessary competence for modern business enterprises. The main challenge with IBN is the integration of numerous cultural expectations and communication styles to arrive at a unified outcome. IBN involves the exchange of proposals coupled with a deep understanding of cultural, economic, and legal norms, as well as the interpersonal dynamics that could impact negotiating styles.

The IBN negotiators must, therefore, always reconcile their goals with those of their opponents. This requires a mix of interpersonal skills, strategic awareness, and cultural awareness. Research suggests that negotiators who fail to consider cultural aspects are bound to encounter misunderstandings and frustrated expectations, possibly leading to

negotiation breakdowns. According to Fang and Faure (2011), the misunderstanding of cultures is a leading cause of negotiation breakdowns because the conflicting norms and expectations of the parties' behaviors create an atmosphere where collaboration is impeded. Negotiators from individualistic countries may rely on explicit contracts and direct communication, while negotiators from collectivist countries may rely more on relationship-building and indirect methods of communication. According to Gelfand et al. (2013), effective IBN is anchored in the negotiators' ability to adapt; this means that success is pegged not only in understanding the other party's preferences but also in making adaptations in the negotiating tactic. This ability to adapt becomes important because negotiation often involves iteration-as new information and cultural nuances emerge, one may want to reassess his or her strategy against his or her counterparts' cultural standpoint.

2.1.1. Defining international business negotiation

International business negotiation is defined by researchers as a "collaborative decision-making process involving parties from different nations who are working to resolve differences and create mutually acceptable agreements" (Weiss, 2006, p. 306). This definition focuses on two critical aspects of IBN: collaboration and cultural diversity. Although collaboration is central to any negotiation, the international aspect brings along with it quite a number of complicating variables, especially those touching on culture involving values, norms, and expectations. According to (Brett and Gelfand 2010) such cultural variables are very instrumental in shaping the behaviors of negotiators; they define just what the process of negotiation means and, accordingly, the communication style, time orientation, power dynamics, and the expectations of equity.

The collaborative nature of IBN distinguishes it from more transactional, one-time negotiations, as the latter primarily focuses on immediate outcomes, whereas IBN emphasizes long-term relational and organizational objectives. Graham, Mintu, and Rodgers (1994) mentioned that international negotiations have to take place in a high-

stakes environment where relationship building along with trust is to be considered, keeping in view the principle of mutual benefit. This is in contrast to the style and approach that one might consider for domestic negotiations, where a shared cultural background reduces the need to spend a great amount of time building relationships and fostering trust (Fang & Faure, 2011, p. 322).

Defining IBN also necessarily involves an understanding of how cultural expectations can shape the negotiation itself. Hall's 1976 theory about high- and low-context cultures has remained very influential in the study of differing approaches to communication that may distinguish international negotiations. High-context cultures, typical normally of East Asian and Latin American countries, would depend more on implicit forms of communication, with significant meaning associated with the context, the relationships, and non-verbal information. Low-context cultures, however, rely on explicit and direct communication, with the message clearly conveyed through mostly verbal means. Such is the case in North America and Northern Europe. The implications of these differences in communication are far-reaching: negotiators from high-context cultures may find low-context communication to be much too blunt or even disrespectful, while the low-context negotiator may perceive high-context communication as ambiguous or evasive.

One of the basic challenges in IBN is a subtle balance between assertiveness and empathy. Quite often, negotiators have to manage between advocating their interests and being sensitive to the preferences, customs, and expectations of their counterparts. Lee and Yang conclude that the effective negotiator in international contexts is one who can balance these-the one who will modify style and expectation in light of insight into the cultural and personal propensity of the other party. "For example, in high-power distance cultures, where hierarchy and authority are deeply ingrained, it is generally expected that negotiators will use displays of deference and indirect language when showing respect to higher status individuals.". In these cases, the willingness of the negotiator to play along with the cultural hierarchy with respect to language and approach may be what generates good will and creates superior negotiation outcomes. (Caputo et al., 2018, p. 46) Other

aspects of cultural values which control divergent perceptions in IBN relate to time, formality, and flexibility. For instance, Brett and Gelfand (2006) find that negotiators from long-term-oriented cultures, such as Japan and South Korea, are often more concerned with building a sustainable relationship that extends beyond the transaction at hand.

This may be inclined to deal with negotiation through an integrative frame in pursuit of solutions that benefit all parties and lay the ground for further collaboration. In contrast, negotiators from short-term oriented cultures may give higher importance to immediate outcome at the partial cost of relationship-building. According to Zhang and Zhou (2008), such cultural differences in time orientation have great impact on the strategies which are followed in negotiations: long term-oriented negotiators happen to be more flexible and ready to make concessions with the aim of establishing long-term partnerships (p. 39).

Another layer to understand IBN can be explored through the examination of how cultural dimensions influence decision-making. Among these cultural dimensions, Individualism vs. Collectivism, as taken from the work of Hofstede (2011), corresponds to IBN the most. In an individualistic type of culture, the negotiators may want to derive individual benefits by considering competitive strategies that give the maximum returns for their side. Because negotiators from the collectivistic cultures would consider the harmony of the group and consensus more important than the achievement of an individual, they would opt for the use of a cooperative, integrative strategy that favors all parties concerned in the negotiation interaction. As Fang and Faure summarize it best, "The collective orientations enhance negotiators' orientation towards the search for common goals rather than zero-sum games and reinforce trust and cooperation even in highly competitive situations" (p. 324). As noted by Gelfand et al. (2013), one striking feature of the IBN is the use of culturally adaptive behaviors.

These adaptive behaviors involve tactics such as mirroring communication styles and deferring to local norms that allow negotiators to bridge cultural divides while creating a groundwork for mutual respect. In this sense, the adaptability of a negotiation process is

much important, while the research indicates that a single approach that is implemented cannot provide good results in an international environment, p. 120. Adaptation in negotiations can be made by negotiating partners: slowing down or speeding up their speech, using culture-specific gestures, or showing respect during the bargaining process in high-power distance cultures. As such, Lee and Yang explain that culturally adaptive behaviors can help gain rapport and make the process of negotiation smoother, more cooperative, and hence more likely to secure a satisfying agreement, as noted on p. 3484.

International business negotiation is a unique process that is influenced by a wide range of cultural values, expectations, and communication styles. Unlike domestic negotiations, IBN compels participants to move out of their familiar cultural territory and adjust strategies accordingly. Indeed, Fang and Faure (2011) have underlined that the effective international negotiator must blend strategic insight, cultural sensitivity, and adaptability if he or she is to bridge cultural divides and engender beneficial, sustainable agreements. Weiss (2006) expands on this notion-that IBN is at least as much an art as it is a science-by indicating that negotiators must develop cultural fluency and an openness toward new negotiation practices. By understanding and respecting the cultural variables that come into play, international business negotiators can conduct negotiations in a way that meets not only organizational objectives but also furthers cross-cultural relationships.

2.1.2 Process of International Business Negotiation

The process of international business negotiation is a staged, multi-step travel wherein the negotiators from different cultural backgrounds journey together to arrive at mutually beneficial agreements. Because international negotiations are intrinsically cultural, legal, and economic in nature, careful planning with execution is implemented in successive phases: preparation, relationship-building, information exchange, persuasion, and agreement or closing. This is according to Gelfand, Brett, & Imai (2013). Each step in itself requires a dose of cultural sensitivity, strategic adaptability, and clear communication,

while variations in these levels can strike hard at negotiation success. Caputo, Ayoko, & Amoo (2018) support this idea.

Preparation

Preparation is the first phase, and perhaps it is the most important because this is where the ground is laid on which a successful negotiation may be founded through focus on cultural, organizational, and strategic research. It is here during the preparation phase that the negotiators study in detail the culture, the norms of doing business, and also the economic conditions of the other party. In this respect, good preparation enables negotiators to predict areas where misunderstandings might occur and adopt specific negotiation strategies by considering the cultural context of the other party involved (Gelfand et al., 2013, p. 115). For instance, negotiators belonging to a formal culture may expect intense levels of respect and structured style of communication during their negotiations (Fang & Faure, 2011). Also at this stage are the logistic and practical preparations, including the requirement for language interpretation and a choice of appropriate locations and timing, all of which is especially significant in cross-cultural contexts where misunderstanding may lead to unfavorable outcomes, as stated by Zhang & Zhou (2008, p. 39).

Building Relationships

The first essential step in many cases before any serious discussion of business terms can take place is the building of a relationship. This aspect especially takes precedence in the collectivist and high-context cultures, as the rapport and trust built at this stage are instrumental for success in negotiation. Graham, Mintu, and Rodgers (1994) state that building relationships demonstrates respect-to be patient and interested in investing in long-term relationships. According to Weiss (2006), it is not only the establishment of trust that is made easier by relationship-building but it also replaces the cultural tensions with ease when the participants feel comfortable about sharing information and viewpoints. For instance, high-context cultures, such as Japan or Latin America, may

require more time in establishing the relationship as compared to low-context cultures, such as the United States or Germany, during which the negotiation may move rather quickly to the discussion of business items. Hall 1976.

Information Exchange

It is at this information exchange stage that both parties communicate their goals, limitations, and focus to provide the foundation for subsequent bargaining. The style and degree of disclosure will differ quite a bit based on cultural expectations about openness. Accordingly, Gelfand et al. (2013) stressed that negotiators from Low Uncertainty Avoidance (UAI) cultures "tend to discuss a wider range of issues and are less dependent on strict formats" (p. 118). On the other hand, negotiators coming from high uncertainty avoidance cultures may require more structured exchanges to feel secure, where they will prefer clarity and predictability in negotiations. At this stage, good communication plays a very important role. Caputo et al. (2018) note that in an international context, information is usually conveyed through a mix of both verbal and non-verbal forms of communication, while in some cultures, which are high on context, most of the information remains between the lines and is imparted through gestures, tone, and expressions rather than the words themselves, p. 37. The negotiator who does not grasp this subtlety may misinterpret the intentions of the other party and may unconsciously harm the very process of negotiations.

Persuasion

The second stage is persuasion, or bargaining, where all the parties present arguments and try to convince one another to make an agreement. This stage reflects cultural differences in assertiveness, conflict resolution, and decision-making. Negotiators from an individualistic and masculine culture may use assertive and competitive strategies, negotiating by maximizing their outcomes, whereas negotiators from collectivist and feminine cultures may be more likely to use collaborative problem-solving approaches to mutually beneficial agreements. On the other hand, persuasion strategies are more likely

to suggest cooperation, compromise, and a preference for mutually beneficial solutions in collectivist and feminine cultures, which put great importance on harmony and relationship maintenance. Indeed, Lee & Yang (2016, p. 3480) support the same idea. What works in one culture does not necessarily work equally well in another. Hence, the most successful persuasion strategies in international negotiations are those that adapt to the cultural expectations of the other parties. Zhang and Zhou, 2008 added that a negotiator may re-align his style to suit the preference of the other party. The persuasion strategy that appears as overly aggressive in a given cultural context may be perceived as disrespect, thus leading to a breakdown in negotiation. It is in that respect that Lee and Yang (2016) observe that the constructive use of persuading strategies and respect towards another party's values and norms are important in building rapport with them towards achieving favorable results in any cross-cultural negotiation.

Agreement/Closing

The last stage-which is agreement or closing-is when negotiators crystallize their understanding into a mutually acceptable contract or agreement. In such a stage, cultural differences regarding time orientation and flexibility in decision-making are highly relevant, with negotiators from cultures that have a long-term orientation, for instance, stressing flexible, relationship-type agreements, enabling one to adapt changes at any point in time later on. While short-term-oriented cultures tend to favor solid and immediate agreements that are not as open to future renegotiation. Weiss, 2006, elaborates that for some cultures, the closing marks the culmination of a lengthy relationship-building process, while for others, it is merely a transaction step. Consequently, some require plenty of documentation and assurance, while others believe in less formal and more verbal agreements. Understanding these needs and being prepared to close the agreement on this basis may provide a less problematic and more successful ending phase, p. 310.

2.1.3 Strategies of cross-border business negotiations

The strategies adopted in cross-border business negotiations are usually identified as falling into two major approaches: distributive (competitive) and integrative (cooperative). (Lee & Yang ,2016). Each one of them corresponds to different styles of negotiation and represents hidden cultural, organizational, and individual choice. Whether to pursue a distributive or integrative strategy often depends on ascribed relationship with another party, the amount of trust between negotiators, cultural influences, and the overall objectives of the negotiation at hand. (Weiss, 2006) hereas a distributive strategy is generally associated with competitive and win-lose outcomes, the integrative strategy stresses collaboration in pursuit of a mutually beneficial, win-win situation. The mastery of these strategies is, however essential in understanding the cultural variables that can help the negotiator conduct the negotiation process with ease for optimum outcomes.

Distributive Strategy (Competitive)

The distributive or competitive negotiation strategy is based upon the belief that the resources are scarce and that each of the parties is out to maximum their share often at the expense of the other. (Lee & Yang, 2016.) In this approach, negotiation is perceived like the game of zero-sum, wherein the gains by one party represent the loss of another. Usually, distributive negotiations are short-term in focus, in which the parties involved try to claim as much value as possible within a fixed set of resources. This is a common strategy in settings where there is limited opportunity or desire for any long-term relationship between the negotiating parties, according to (Lee & Yang, 2016.)

Caputo et al. (2018) found that negotiators who use high-power-distance cultures favor distributive strategies since they are supportive of cultural acceptance of authority and control, p. 45. In such cultures, assertiveness and competitive tactics are not only accepted but also considered a sign of strength and competence in negotiation. For instance, negotiators from high-masculinity cultures, such as Germany and Japan, place

immense appreciation on assertiveness and are likely to focus on distributive strategies in securing favorable outcomes with maximum gains, at times perceiving negotiation as a battleground where each party must take care of its interest. In distributive negotiations, the common tactics involved by parties are making aggressive opening offers, concealing information, and using arguments to persuade the opponent. The underlying reason for using such tactics is as a strategy to derive an advantage in order to push and bargain for favorable outcomes. Graham et al. add that distributive strategies are favored by cultures that stress the value of competition and hard assertiveness; negotiation in such a society is seen as a chance to be strong and durable. For instance, negotiators from the United States, marked by individual achievement and assertiveness, commonly use distributive strategies, making bold initial offers to gain leverage early in the negotiation process (Zhang & Zhou, 2008, p. 36).

However, even though distributive strategies might prove effective for direct tangible results, their possible inefficiencies may be realized in an international context where the cultural values of a country emphasize relationships and mutual trust. This might be viewed adversely in collectivist cultures-which include the cultures of East Asia-because the latter's cultural norms of harmony and respect for each other are contradicted by a focus on competitive strategies. Zhang and Zhou also note that "dependence on distributive strategies in cross-cultural situations leads to friction and mistrust in that, if the opposing party views such tactics as overly aggressive or insincere, potential long-term relationships may be destroyed". The negative side of distributive strategies is that they have the potential to destroy relationships and make future collaboration less possible. Generally speaking, the co-operative element for a sustainable partnership cannot be reached via distributive negotiations since each party in such negotiation aims at maximizing its gain individually rather than seeking a value added to be shared between the parties. This may work in one-time transactions, but in negotiations involving continuing relationships, it should be avoided, as resentment and distrust could result (Gelfand et al. 2013). In that respect, although a distributive strategy may realize

temporary success, it is not as fitting for negotiations in which further continued cooperation and trust remain such an integral part of organizational goals.

Integrative Strategy (Cooperative Negotiation)

On the other hand, the integrative or cooperative negotiation strategy relies on the elaboration of a win-win situation whereby the parties collaborate towards a mutually beneficial outcome (Hofstede, 1998). his approach is supported by the belief that negotiation need not be a zero-sum game; indeed, both parties could achieve gains when the interests of the other party are probed and solutions that maximize joint benefits are created accordingly. Integrative negotiation guarantees openness, building confidence and transparency; it is about long-term relationships and viable partnership.

The integrative strategy can be found in cultures that are collectivist, harmonious, and future-directed. Negotiators from collectivist countries, like East Asia and Latin America, are most likely to use an integrative approach in negotiations because their cultural values put group harmony and relationship over individual benefit. Indeed, Caputo et al. (2018) established that negotiators in such cultures are more cooperative, transparent with information, and continue seeking a settlement which will please the parties because that practice is consistent with cultural values that emphasize group welfare. An integrative approach requires negotiators to concentrate on mutual interests and basic needs rather than positions. (Lee and Yang,2016) explain that integrative negotiators are active listeners, trying to understand the motivational and concern level of their counterpart, while seeking solutions that create added value for all parties. In using this collaborative approach, a trusting basis will be established, with strong and long-term relationships well beyond one transaction.

According to Fisher et al. (1991), integrative negotiations are most effective in situations where the parties can anticipate having future interactions and building long-term relationships. Cultural variables associated with the integrative strategy include low power distance and long-term orientation. For instance, integrative strategies would be

most attractive to negotiators in low-power-distance cultures because they foster equity and respect between the parties through values of equality and participative decision-making (Hofstede, 2011). Besides, long-term-oriented cultures, such as Japan, "will be more likely to use integrative strategies in order to ensure a long-term relationship and subsequent collaboration ". Such strategy can be opposed to the immediate outcomes that short-term oriented cultures may pursue at the expense of building a relationship.

The positive side of the integrative strategy is that it opens a way to creativity because solutions may be reached not obvious before. Integrative negotiations, because they encourage both parties to explore alternatives and work in cooperation, create creative solutions which could suit both sides. The reason such an innovative, problem-finding approach is in particularly high demand in high-context cultures is that a relationship and indirect communication are the significant elements in developing trust and rapport. According to Gelfand et al., successful integrative negotiation depends a great deal on "the communicative style and flexibility of negotiators, as these behaviors promote a positive, cooperative atmosphere that fosters negotiation" (p. 119).

2.2 Culture

Culture has a very vast impact on behaviors, values, and interactions, particularly when considering cross-boundary business negotiations. Culture can be defined as the collective programming of the mind which differentiates the members belonging to one group from another. (Hofstede, 2011). It is made up of shared beliefs, norms, and behaviors. Cultural differences affect the style of communication, the process of decision-making, and negotiation strategies involved in the practice of international business (Hofstede, 2011). It is thus essential for negotiators to understand and adopt the cultural expectations of different parties when entering a negotiation. (Trompenaars and Hampden-Turner, 1997,pg 22) define culture as "a complex of implicit and explicit values, assumptions, and beliefs that people use in interacting with their social environment.". These are the cultural frameworks that inform negotiators in general about what is

appropriate, respectful, or strategic when one interacts with other people, often across national borders. Scholars have emphasized the centrality of culture in shaping negotiation behaviors, and it has been argued that culture influences not only what negotiators consider to be fair or just but also how they interpret and react to other people's behavior. Hall's theory of high- and low-context culture posits that cultural differences explain the approaches towards communicating: high-context cultures, such as Japan and China, depend on indirect and implicit communication, while low-context cultures, like the United States, depend on direct and explicit communication. These cultural dimensions have significant implications for international negotiations, as misunderstandings can easily arise when parties interpret messages through the lens of their own cultural background, without considering the culture of the other party. In this regard, Hall (1976) proposed that:

2.2.1 Conceptualization of culture

Culture in the context of international business negotiations should be conceptualized as a set of dimensions that condition behavior and guide expectations. (Hofstede, 2011). Probably the most well-acknowledged yet debated theory of cultural dimensions regarding a business environment was given by Hofstede, who distinguished four primary cultural dimensions: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance. Each of these dimensions serves to explain how individuals originating from different cultures might approach business interactions, including negotiations. For example, high Power Distance cultures tend to accept hierarchical structures and authority figures, which can influence how negotiation authority and decision-making are perceived (Hofstede, 1980). Another influential model is that of Schwartz (1994), who conceptualized culture in terms of values that reflect fundamental human motivations, such as conformity, achievement, and security. Schwartz's framework highlights the role of cultural values in shaping negotiation tactics and priorities. For instance, negotiators from highly conformity and harmony-oriented cultures use collaborative strategies much more and competitive strategies much less in

order to sustain social cohesion and avoid conflict. The effects of such cultural orientations also extended to influence the strategies selected and the willingness to make concessions or adopt flexible solutions. The construct of cultural dimensions was further extended by Trompenaars and Hampden-Turner in 1997, who proposed that there are seven dimensions of culture, among them Universalism vs. Particularism and Specific vs. Diffuse relationships. Trompenaars and Hampden-Turner present arguments that negotiators of Universalist cultures, such as those from the US and Germany, tend to press for fairness and objective standards in negotiation, whereas negotiators from Particularism cultures, such as China, may stress relationships and situational factors more. This model underlines those international negotiations call for knowledge about national culture and values held by individual negotiators. Conceptualization of culture in international negotiations serves to provide a guide on how to predict and interpret behaviors by way of cultural values and norms. That said, it will be easier to understand cultural dimensions and values for the purpose of negotiating across cultures in order to reduce misunderstandings and reach an agreement where the parties feel their interests have been taken into consideration Various studies conducted by experts like Hofstede 1980, Schwartz 1994, and Trompenaars and Hampden-Turner 1997 also establish the importance of cultural awareness in ensuring effective negotiation within the milieu of globalization.

Hofstede's cultural dimensions were selected for this study because of their robust theoretical basis and extensive use in cross-cultural research, especially for international business negotiations. Hofstede's model provides an extended framework for understanding the effects of cultural values on behavior and underlines many cultural aspects, such as Power Distance, Individualism versus Collectivism, Masculinity versus Femininity, and Uncertainty Avoidance. These factors have been extensively tested across numerous nations and cultures, making them especially relevant for examining the negotiating strategies of individuals from various backgrounds. Furthermore, Hofstede's model is practical and accessible, allowing the direct measurement and comparison of

cultural differences, which is essential for understanding how negotiators from different cultural backgrounds negotiate in international business settings. In the context of today's global business environment, Hofstede's dimensions form the basis from which cultural values exert a large influence on negotiating strategies and hence facilitate a more precise substantive look into international relations.

2.2.2. Hofstede's National Culture Framework

Geert Hofstede's framework of national culture is one of the most well-known methods through which cultural differences are examined in international business. The model developed by Hofstede was based on a widespread study of IBM employees across 50 countries to ascertain the basic cultural values for which behavioral differences exist among individuals belonging to different civilizations (Hofstede, 1980).He recognized five major cultural dimensions, which are: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, and Long-Term vs. Short-Term Orientation. Each of these dimensions provides a glimpse into the ways in which people of different cultures think, communicate, and negotiate; thus, it is especially relevant in understanding the dynamics of international business.˘

Power Distance: It refers to the degree to which members of a culture are willing to accept an unequal distribution of power and authority. (Minkov & Hofstede, 2011). n high-power-distance cultures, there is very strong dependence on boss-subordinate relationships, and individuals are more willing to obey authority and centralized power. For instance, countries like Malaysia, Mexico, and Russia have been found to be high on Power Distance, where people show much respect for authority, and decision-making powers are centralized in the hands of their superiors. People in such cultures may avoid openly disagreeing with their superiors since the concept of respect for hierarchy has been instilled in their minds. On the other hand, cultures characterized as having a low Power Distance, such as in Scandinavia and the Netherlands, have a culture of egalitarianism; hierarchies are not rigid. In these societies, employees are very likely to

discuss matters openly with superiors and approach superiors expecting a participative approach towards decision-making. This could be different in negotiation style. Where Power Distance is high, negotiators may look to higher authorities for guidance on decisions, while in a setting of low Power Distance, emphasis is often placed on consensus and inclusiveness. This dimension has far-reaching implications for international negotiations. Negotiators from high Power Distance cultures may lean heavily on authority, and tend to use communication that is formal and hierarchical in nature, while negotiators from low Power Distance cultures may lean more on collaboration and informality when relating with others (Minkov & Hofstede, 2011). This situation often causes misunderstandings, such as when negotiators from a high-Power Distance culture see the direct communication that negotiators from a low Power Distance culture engage in as a sign of disrespect.

Individualism

According to the IDV dimension, individuals give priority to personal achievements and autonomy at the cost of group harmony and social cohesion. The cultural background of individuals in countries like the United States or Australia reinforces self-reliance, personal responsibility, and the pursuit of individual goals. People in this society take a decision on the premise of personal gain rather than collective welfare. This individualistic orientation often fosters a competitive negotiating style, with the goal being to maximize one's own outcomes (Brett and Gelfand 2010) Contrastingly, the cultures that are classified as collectivist, such as those in China, Japan, and South Korea, depend on the interdependence of their members in each group, group loyalty, or the depth of family or community bonds. Collectivist societies strive for group harmony, which perhaps explains reliance on indirect communication and building relationships with business partners rather than transactional exchanges. In collectivist cultures, consensus is often pursued in negotiations and solutions that are acceptable to all parties are sought out, since harmony maintenance is a basic cultural value.

These would most probably cause a significant gap in international business negotiations. While negotiators from individualistic cultures may negotiate to achieve specific goals and perceive the process of negotiation as a form of a transaction, those from collectivist cultures may negotiate to build relationships based on trust and long-term orientation. (Brett and Gelfand 2010) comment, these different orientations "would suggest that negotiations from individualistic cultures seek to negotiate efficiently and move quickly to closure, while negotiators from collectivist cultures invest more time in rapport-building and relationship-building before moving onto substantive negotiations" (p. 58).

Masculinity: This dimension MAS therefore captures the degree to which a society reinforces, or de-emphasizes, traditionally "masculine" values of competitiveness, assertiveness, and material success as compared with "feminine" values of care, cooperation, and quality of life. (Schwartz, 1994). Masculinity-oriented cultures, such as Japan, Germany, and the United States, place high premiums on achievement, assertiveness, and competition, and success in most instances is measured by material gains and promotions at work. In such societies, negotiations will tend to assume a more competitive and aggressive approach since the duel preoccupation of winning and gaining an advantageous outcome for one's self or organization is often at stake (Schwartz, 1994). In feminine cultures, such as Sweden, Norway, and the Netherlands, the emphasis is on the quality of life, social support systems, and relationships. Cooperation and consensus are valued in feminine societies, and negotiators from these countries may approach negotiation with primary concern for the mutual benefit that can be achieved and the desire to maintain harmony. As such, feminine societies will most likely "prefer in their approach to negotiations collaborative tactics because they would view compromise and relationship maintenance as superior to hard bargaining" (Schwartz, 1994).

These cultural values thus have a very major impact on the negotiation behaviors of different kinds of cultures. Negotiators from masculine cultures can be aggressive in using hard bargaining tactics, focusing on their individual accomplishments. In feminine cultures, negotiators seek solutions where everybody wins through focusing on

cooperation and collective success. According to (Brett and Gelfand 2010) the ability to recognize such cultural differences can enable negotiators to modify their approach in ways that can create an amenable climate for the prevention of various conflicts arising from cross-cultural relationships (p. 430).

Uncertainty Avoidance: Uncertainty Avoidance is the extent to which a society avoids ambiguity, uncertainty, and risk. Hofstede et al. (2010) Societies with high Uncertainty Avoidance-for example, Greece, Portugal, and Japan-prefer stability, structure, and unequivocal rules to minimize uncertainty (Hofstede, 1980). People in these cultures are more apprehensive about situations that are unfamiliar and thus prefer structured environments where risks are at a minimum and outcomes can be predictable. According to Hofstede et al. (2010), high UAI negotiators are a bit more cautious and feel their way is best secured in negotiations if the contracts are detailed, agreements clear, and procedures formalized.

Contrarily, low Uncertainty Avoidance cultures, such as the United Kingdom, Denmark, and Singapore, would have a higher tendency toward ambiguity tolerance and risk-taking. These societies are more flexible and accommodating of the flux that may exist within an environment. In negotiations, openness to ambiguity could thus make for more elaborate search for innovative solutions and also translate into informal or flexible agreements. The negotiators from low UAI cultures, on the other hand, may adopt a less structured approach, relying on trust and adaptability in conducting the negotiation (Hofstede et al. 2010)

2.3 Role of Culture in Determining Choice of IBN Strategy

The role of culture in the choice of international business negotiation strategies is profound, as cultural values underpin how people actually communicate, approach and handle conflict, and reach agreements. The choice of negotiations strategy often remains affected by fundamental cultural orientation that shapes the perspective through which individuals look at relationships, authority, and individual versus collective interests.

Among Hofstede's dimensions, the most relevant to bargaining styles include Power Distance and Individualism/Collectivism, which determine whether negotiators will tend toward a distributive or integrative approach, respectively. The distributive strategies are, as a rule, preferred in the context of high Power Distance and individualistic cultures, in which negotiations are considered to be zero-sum games.

By contrast, integrative strategies have been based on mutual benefit and cooperation in low Power Distance and collectivist cultures more typical for them (Brett & Gelfand, 2006). Power Distance (PD) is the extent to which less powerful members of organizations accept and expect that power is distributed unequally. In high PD cultures, hierarchical structures are deeply inculcated and subordinates are more likely to expect leadership to be directive. This can also lead to a disposition toward distributive strategies in negotiation; that is, a strategy which looks at negotiations as a zero-sum game. As Liu et al. (2021) commented, "high power distance contexts often foster more competitive and less cooperative negotiation behaviors" (p. 312). On the other side, low PD cultures, relying on egalitarianism and participative decision-making, would lean more toward integrative strategies that are collaborative and mutually beneficial (Hofstede, 2011). Individualism refers to the degree to which people integrate into groups (Hofstede, 1980). Individualistic cultures emphasize personal achievement and autonomy and, hence, are more likely to invest in pursuit of distributive strategies that maximize individual outcome.

According to Gelfand et al. (2020), indeed, "individualistic cultures are more inclined toward competitive, distributive negotiation styles" (p. 5). On the other hand, the collectivist cultures value group harmony and long-term relationships and, therefore, are more inclined toward the application of integrative strategies in search of mutually beneficial outcomes (Hofstede, 2011). MAS is the dimension that pits masculine values of competitiveness and assertiveness against feminine ones of cooperation and quality of life. In high MAS societies, the appreciation for competitiveness and assertiveness easily develops into distributive strategies seeking a win-percentage outcome. Caputo et al.

(2019) pointed out that "negotiators from high MAS cultures generally employ more competitive tactics than negotiators from low MAS cultures" (p. 17). On the other hand, low MAS cultures, which prefer a relationship and consensus-oriented approach, will be more likely to adopt integrative strategies to achieve a win-win situation for both negotiating parties.

According to Hofstede 2011, Uncertainty Avoidance. The UAI reflects a society's tolerance for uncertainty and ambiguity. High UAI countries like to know without doubt what to expect and avoid ambiguous situations; thus, they will prefer distributive strategies to reduce the uncertainty of outcome and arrive at a definite conclusion. Reimann et al. (2017) observed that "high uncertainty avoidance cultures often seek more rigid and risk-averse negotiation tactics" (p. 12). A low UAI culture, however, is more tolerant of ambiguity and thus can accept integrative strategies that allow for flexibility and imagination in solving problems (Hofstede, 2011). LTO refers to "the extent to which a culture values future rewards as opposed to short-run benefits" (Hofstede, 1991). While long-term oriented cultures use integrative strategies, which tend to converge on sustainable and mutually beneficial outcomes. Fang et al. go on to reveal that "long-term oriented cultures are indeed more collaborative and future-focused in their negotiation approaches" (p. 7). In this case, short-term oriented cultures would opt for distributive strategies in order to maximize gains immediately. The cultural dimension, hence, becomes critical in influencing or shaping the strategies of negotiations in international business.

2.3.1 Influence of Power Distance on the Choice of IBN Strategy

Power Distance (PD) refers to the "extent to which less powerful individuals in a society accept and expect that power is distributed unequally" (Hofstede 1980). High Power Distance cultures include Malaysia, Russia, and most Latin American countries. These cultures consider, respect, and climb hierarchical structures, where the authority figures have great influence. This acceptance of inequality impacts negotiation strategies, with

those from such cultures more likely to enter into competitive approaches that respect hierarchy and the authority of the ones above them. High Power Distance cultures usually prefer a distributive approach, emphasizing assertive tactics and authority. These are strategies that will easily align with cultural values where hierarchy and control in interactions are key.

Such would be the case with high Power Distance cultures, where negotiators would expect respect for authority and view assertive distributive strategies as one avenue to confirm their status and authority in the negotiation. According to Caputo, Ayoko, and Amoo (2018), such cultures typically view negotiations as a venue for consolidating the established social order, and competitive strategies would be more acceptable since they are in tune with the expectation of hierarchy (p. 45). In these settings, negotiators are likely to utilize strategies that, in an environment of control exploitation, involve the establishment of firm positions early in the process and usually apply their authority to affect outcomes. This will work well in instances where the hierarchy in a negotiation is valued, since such overt application of power may have the other party make decisions quickly or even obey.

In turn, low Power Distance cultures-such as Denmark, Sweden, and the Netherlands-emphasize equality and participative decision-making, to which negotiators are influenced to adopt collaborative approaches. People in such societies expect power to be distributed fairly equally, and there is more openness to input from all participants. Consequently, low Power Distance cultures might prefer integrative strategies by negotiators, emphasizing cooperation, mutual respect, and open dialogue. Indeed, competitive tactics may be viewed as counterproductive to this end, since they run against the grain of cultural values based on inclusiveness and a sense of shared decision-making.

Negotiators in low Power Distance cultures focus on their relationship importance and often act cooperatively to make sure all voices and opinions are considered and valued, leading to integrative negotiations where parties collaborate in finding solutions that

meet everyone's needs. This can be noted by Gelfand et al. (2013, p. 118). This would mean that, in such societies, a negotiator who presses hard on hierarchy or is highly aggressive in claiming his authority stands the possibility of alienating the other party, since the cultural norm requires balance in the expression and utilization of power. Therefore, low Power Distance cultures prefer negotiation strategies that build consensus and long-term partnerships where outcomes are mutual rather than one-sided gains. Based on this discussion, added following hypothesis

Hypothesis 1: There is a negative relationship between power distance and integrative negotiation style.

2.3.2 Impact of Individualism/Collectivism on Choice of IBN Strategies

The IDV dimension of Individualism vs. Collectivism refers to the extent to which a culture emphasizes, or de-emphasizes, the role of the individual versus the collective in achieving goals and ensuring well-being. (Fang & Faure, 2011) Idividualist cultures, exemplified by countries such as the United States, Australia, and the United Kingdom, expect individuals to take responsibility for their own lives and to pursue their personal goals. Collectivist cultures include China, Japan, and many Middle Eastern countries; place strong emphasis on loyalty to the group, whether that group be family, a work team, or society at large. (Fang & Faure, 2011) The following dimension has a high impact on negotiation strategies: individualistic cultures (Canada included) tend to approach negotiations using competitive distributive tactics, whereas collectivist cultures favor cooperative integrative approaches.

Negotiators will also be more likely to approach the negotiations in an individualistic culture as a transaction where one could gain as much as possible and obtain an outcome that best fits their personal interests or those of their organization. (Lee and Yang,2016) note that in an individualistic society, negotiation is often approached as an avenue through which to achieve individual goals; hence, a preference for distributive strategies wherein negotiators strive to claim the largest possible value. Negotiators of

individualistic orientation may consider negotiation as a win-loss situation in which one outperforms the other party. They may be more willing to use assertive strategies, to make an aggressive opening offer, and to prioritize securing favorable terms for their own side rather than seeking mutual benefits (Gelfand & Brett, 2004).

These tendencies run parallel with the increased cultural focus on personal success and self-interest, wherein negotiation outcome is often assessed by the ability to obtain the most favorable terms. (Zhang and Zhou, 2008), indicate that the individualistic negotiators are often driven for efficiency and speed, as their foremost objective is to attain materialistic and quantifiable results that reflect well on their personal and professional reputation. p. 36. This might therefore be quite effective in short-term negotiations or in situations where the building of a long-term relationship with another party is not an issue. The emphasis on competition and personal gain is however difficult in cross-cultural situations when the opposing party expects a more relational approach. Collectivist cultures, on the other hand, focus on group harmony and their long-term relationships over current personal benefits. (Zhang and Zhou, 2008), Negotiators coming from collectivist societies adopt integrative approaches that imply the need to have a win-win situation since they believe in harmony and satisfaction of all parties concerned.

According to Brett and Gelfand, negotiators from collectivist cultures focus on building trust and ensuring that the relationship existing between negotiating parties is preserved. As such, they are likely to make more concessions, be open to alternative solutions, and maintain group harmony as opposed to maximizing their benefits. In collectivist negotiation settings, it is often the case that a good relationship is more important than the immediate benefits of the negotiation. Negotiators may spend extensive amounts of time and effort on relationship-building before engaging in the actual negotiation process. This approach thus builds rapport and dissolves any kind of conflict because the collectivist negotiators do not consider negotiations as a single transaction but part of something bigger, things that go on beyond the consummation of the transaction. (Hofstede, 1980).

For instance, negotiators from China, being one of the most collectivist cultures, have been said to first provide time for developing guanxi, or relationships, before the actual serious business negotiation, as building trust was considered a vital element in constructing good negotiations (Fang & Faure, 2011, p. 326). The impact of the Individualism/Collectivism dimension on negotiation strategies can best be illustrated in how conflict and disagreements are dealt with. In individualistic cultures, negotiators may be comfortable expressing disagreements openly because they perceive negotiation as a forum for debate and assertive bargaining. In contrast, in collectivist cultures, harmony may be preserved by avoiding open conflict; a preference for indirect communication or non-confrontational strategies to handle differences may thus be expressed by negotiators. This would be in line with the cultural tendency to save face, which is considered paramount in most East Asian societies.

The Individualism vs. Collectivism dimension greatly influences the negotiation strategies of people of varying cultural backgrounds. Whereas individualistic cultures would go for the distributive, competitive strategies to maximize gains either individually or organizationally, the collectivist culture moves toward integrative and cooperative strategies which put the long-term relationship and group harmony as a priority. Knowledge of such cultural preferences will provide the negotiators with an ability to adapt their approach to the expectations of the other party and enhance the prospect of an agreement satisfactory to all involved. Based on this discussion, following hypothesis is added:

Hypothesis 2: There is a positive relationship between collectivism and integrative negotiation style.

2.3.3 Impact of Masculinity on Choice of IBN Strategies

The MAS dimension concerns the extent to which a society relies on "masculine" values of competitiveness, assertiveness, and material success versus "feminine" values of cooperation, quality of life, and nurturing (Hofstede, 1980). In the high-masculinity

cultures of Japan, Germany, and the United States, for example, there is high emphasis on individual achievements, competitiveness, and assertiveness. Negotiators from these cultures tend to adopt distributive or competitive strategies aimed at maximizing their gain; they also handle the negotiation process as a contest in which there should be a winner. Caputo, Ayoko, & Amoo (2018), depending on the culture, either adopt distributive or competitive strategies, aiming at maximizing gains and considering negotiation as a sort of contest to be won.

In masculine societies, negotiation behaviors are often dominated by emphasis on success that is measurable, assertiveness, and hard bargaining. According to Brett and Gelfand, the negotiators of masculine cultures tend to assume direct communication styles and assign high importance to obtaining favorable terms. These negotiators customarily undertake making aggressive opening bids and also competitive strategies such as framing the negotiations as a win-loss situation in which the gain of one party is the loss of another party's (p. 430). This strategy is in line with the cultural obsession with success, where the ultimate goal is to be the "winner" of the negotiations. Contrastingly, low-masculinity or "feminine" cultures-such as Sweden, Norway, and the Netherlands-place high values on quality of life, social network, and relationship rather than individual success. It is expected that negotiators coming from feminine cultures will apply integrative and collaborative strategies because they would rather compromise and satisfy the interests of both parties in the negotiation instead of using adversarial tactics.

As Schwartz said, "negotiators from feminine cultures are more conciliatory and avoid hardball tactics. They frequently seek solutions that satisfy all parties. For the feminine negotiators, the process is a cooperative, not competitive, activity. This would also imply that negotiators from feminine cultures would strive towards negotiating a win-win situation and would even go to the extent of making concessions in order to avoid conflict. As Trompenaars and Hampden¬Turner, 1997 explain, a collective culture, negotiators enter discussions with a pre-set mind on shared goals and mutual respect and a long-term relationship is usually valued over short-term gains on page 82. On the other hand,

cultures where a high degree of masculinity prevails may consider these concessions as indicative of compromising one's position and thus may find it difficult for the negotiators from both masculine and feminine cultures to reach an agreeable solution. Based on this discussion, added following hypothesis

Hypothesis 3: There is a negative relationship between masculinity and integrative negotiation style.

2.3.4 Impact of Uncertainty Avoidance on Choice of IBN Strategies

Uncertainty Avoidance (UAI) is the measure of the degree of risk tolerance that exists in society (Caputo et al. 2018) The countries that constitute high uncertainty avoidance cultures include Greece, Portugal, and Japan. In each of these, stress is placed on a culture's need for structure, clear rules to follow, and stability. In turn, high tolerance for routine is evidenced within the societies in which tradition is a powerful guide, and there is great reliance on established procedures, along with a low tolerance for risk (Hofstede, 1980).

Negotiators from high UAI cultures are likely to approach negotiations with caution, to favor explicit detailed agreements that avoid ambiguity and uncertainty as much as possible. The negotiation strategy of negotiators from high Uncertainty Avoidance cultures is structured and risk-avoiding. As Caputo et al. (2018) establish, "negotiators from high UAI cultures often favor detailed contracts with clearly defined commitments and/or fixed negotiation frameworks that limit possible risks" (p. 38). They can thus become distributive; negotiators may try to adopt strategies that retain greater control over the negotiation process so that terms are less open to interpretation. According to Brett and Gelfand (2006) these kinds of negotiators would generally prefer to avoid ambiguous or open-ended agreements as uncertainty might mean a threat to the successful outcome of the negotiation.

The Low Uncertainty Avoidance cultures include countries like Singapore, the United Kingdom, and Denmark, displaying more tolerance for ambiguity and risk. Negotiators

from such societies are usually more open to flexible agreements, creative solutions, and iterative negotiation processes. Rather than emphasizing inflexible structures, they might adopt integrative strategies that allow fluidity, adaptation, and openness to unforeseen opportunities. The flexibility also makes it possible for negotiators of low UAI cultures to adapt to shifts in dynamic relations, explore creative solutions, and even settle for informal agreements, provided they tend to nurture high levels of trust and cooperation. Gelfand et al. (2013) further comment that this leads to some problems during cross-cultural negotiations, where high UAI negotiators might consider low UAI approaches to be careless or irresponsible, while low UAI negotiators might perceive the high UAI demands for structure as too rigid (p. 122). Misunderstandings may occur where these cultural differences are salient and both parties expect the other party to adopt their favorite negotiation style. Perceiving these different orientations to risk and structure will allow a negotiator to make concessions in a manner consistent with the other party's feelings of comfort and minimize potential conflict. Based on this discussion; added following hypothesis:

Hypothesis 4: There is a negative relationship between uncertainty avoidance and integrative negotiation style.

2.4 Model of the study

This framework of the study is meant to depict the relationship between cultural dimensions and the choice of IBN strategies, with a specific focus on how Hofstede's cultural dimensions influence choices. This model postulates that these cultural values are crucial in bringing into being the negotiation behaviors of individuals hailing from different cultural backgrounds. These, in turn, would influence the selection of a negotiation strategy-primarily integrative or collaborative, and distributive or competitive strategies. The model predicts that negotiators from high Power Distance cultures would favor hierarchical processes of negotiation, typically pursuing a distributive strategy to establish well-defined power relations. Cultures low in Power Distance may thus favor

more egalitarian and cooperative styles of negotiations, relying on integrative strategies that pursue mutually beneficial solutions. Similarly, in an individualistic culture, there will more focus on personal goals, one's self-interests prevail leading to the likelihood to embrace distributive strategies whereas for a collectivist culture, it maintains social harmony and consensus by possibly adhering to integrative strategies. The model suggests that Masculinity and Uncertainty Avoidance are the factors that may influence negotiating strategies, with more Masculine cultures using competitive and aggressive tactics, while nations high in Uncertainty Avoidance prefer structured and risk-averse negotiation approaches, which, in turn, affect their strategic choices.

The model provides a framework that shows how cultural values impact the process and strategies of negotiation by incorporating several cultural variables. It therefore means that cultural awareness forms an important component in negotiations in international business, and knowledge of such cultural characteristics would enhance negotiation outcomes by ensuring better communication and reducing the possibility of misperceptions. The model has considerable value for academic analysis and practical utility for international negotiators, since it facilitates the adaptation of techniques to many cultural situations.

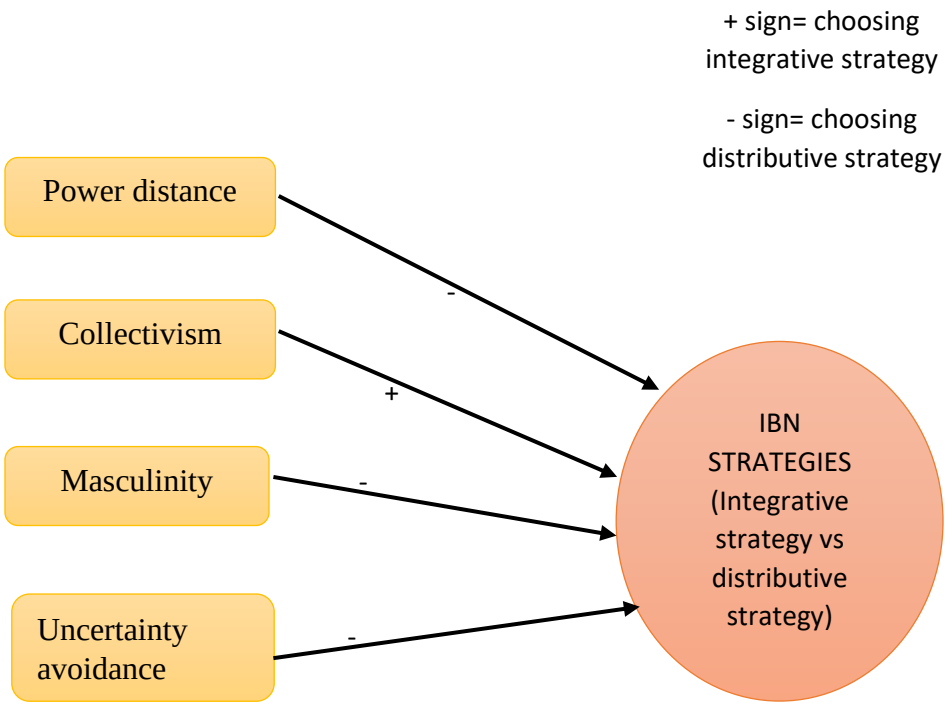

Fig. 1. Model of the study

Chapter 3. RESEARCH METHODOLOGY

3.1 Research approach

This study adopts a deductive research approach, commonly adopted in quantitative studies, wherein a hypothesis is tested through observation. This approach takes existing concepts as a foundation for hypothesis development, which is then empirically tested through data collection (Bryman, 2012). The deductive approach is most appropriate for the present study, as it facilitates the testing of pre-existing concepts, such as Hofstede's cultural dimensions, in the context of IBN.

The primary theoretical model on which this study relies is Hofstede's cultural aspects framework (1980), as the research requires a strong framework for understanding how cultural values impact behavioral outcomes in business settings and, more specifically, in negotiating situations. Using this model, the study was able to indicate that cultural values in regards to Power Distance, Individualism vs Collectivism, Masculinity against Femininity, and Uncertainty Avoidance influence the choice of negotiating tactics, whether integrative or distributive. It is assumed that individuals belonging to a high-Power Distance culture will prefer hierarchical and competitive approaches to negotiation or distributive, while the low Power Distance culture can use egalitarian and co-operative strategies or integrative (Hofstede, 1980). The deductive method allows the researcher to test such assumptions from three different cultural backgrounds, namely Finland, Germany, and Pakistan, by collecting information from the negotiators from these countries and analyzing them. The use of an already available dataset, in this case that from Vanessa Schwarz's 2019 thesis, allows a comparative cross-cultural perspective. This will allow for insight into how cultural differences among these countries influence the selection of negotiation strategies. Using statistical methods on the data to validate or invalidate such links as posed in the theoretical framework is the objective of the present study. This empirical testing of hypotheses adds to the general domain of cross-cultural

negotiation research in bringing out the role of culture in negotiating behaviors in international business contexts, as observed by Ting-Toomey in 1999.

3.2 Quantitative research method

In this work, a quantitative research approach has been employed to rigorously test the hypotheses and make conclusions that are supported by statistical data. Quantitative approaches are particularly useful when testing hypotheses about variable correlations in a controlled and objective manner (Creswell, 2014). This approach was selected because it enables the collection of a significant amount of data, which can then be analyzed using a range of statistical methods to identify trends and relationships between negotiation tactics and cultural variables. Results are generalized to a larger context since they would be applicable to a larger population as they were drawn from this sample population of international business negotiators in Finland, Germany, and Pakistan. The structured survey method is among the most common quantitative data collection methods employed in this study since it yields standardized responses from a reasonably large sample with much regularity (Sekaran & Bougie, 2016). The Likert-scale questions in the survey measure participants' perceptions of Hofstede's cultural dimensions: Power Distance, Individualism, Masculinity, and Uncertainty Avoidance, and their choice of negotiating tactics: integrative vs distributive. A structured survey method ensures that respondents answer the same questions in the same manner, thereby enhancing the reliability and consistency of the results (Bryman, 2012). By using statistical tests, like regression analysis and testing for correlation, the quantitative approach can test the hypotheses. Such methods can help in understanding the direction and magnitude of association between negotiating tactics and cultural values (Field, 2013). This regression analysis will therefore test the effect of each of the cultural components on the chosen negotiating tactics, as well as some correlation tests to determine how much any single cultural feature may reveal of the degree of integrative vs. distributive techniques. The empirical data in this study will be drawn from data previously collected by Vanessa Schwarz (2019) who surveyed business negotiators in Finland, Germany, and Pakistan.

With the detailed information provided on the cultural backgrounds and negotiation behavior of the participants, this dataset presents numerous opportunities to test these theories. Therefore, based on this data, the study can examine how cultural aspects influence the decisions regarding the choice of negotiation strategies across different cultural contexts. The requirement for generalizability and the objective of the research to ensure valid and reliable findings further justifies the choice of the quantitative approach. Therefore, the statistical analysis will contribute to the greater body of knowledge on cross-cultural commercial negotiations and the cultural variables that impact negotiating behavior. Hofstede et al. (2010) said as much.

3.3 Data collection and analysis method

A structured survey was designed to collect primary data and examine the cultural aspects and negotiating tactics of participants from Finland, Germany, and Pakistan.

For quantitative research, structured surveys are the preferred method because they guarantee answer uniformity, which enables precise comparisons across participants from different cultural backgrounds (Sekaran & Bougie, 2016). Since the survey was done online, a wide range of international business negotiators from the chosen nations accessed it. This approach ensured timely data representative of the communities being studied. This research design collected data on two topics: 1) how participants perceive their cultural values in relation to the aforementioned Hofstede's dimensions of culture and 2) self-reports about which negotiating tactics they used-integrative vs distributive.

The questionnaire involved a Likert scale-type questions that asked the extent of agreement or disagreement by the respondent with a set of claims about their style of negotiations and cultural inclinations. Using such a scale allows this study to elicit subtleties from the differences in culture against negotiating tactics and attitudes. After data collection, it is at this stage that a valid statistical analysis shall be employed to identify trends and relationship links between cultural factors and negotiation tactics.

In particular, the developed hypotheses about the impact of cultural dimensions on negotiation strategies were tested using multiple regression analysis. Descriptive statistics were also run to assess the distribution of responses across cultural settings and to summarize sample characteristics. The study utilized SPSS software, which is powerful for analyzing quantitative data and ensuring that the results are valid and reliable (Field, 2013).

3.3.1 Data sampling

The data sampling strategy involved the selection of a representative sample of business negotiators from Finland, Germany, and Pakistan. According to Hofstede's cultural dimensions, these countries were chosen because they possess distinct cultural profiles that would be a good starting point for investigating how culture values influence the negotiating strategies that take place in different arenas. (Hofstede et al., 2010).

The respondents were sampled through a non-probability convenience sampling method. This is a common methodology in cross-cultural research, given the practical considerations that data collection must be efficient and access to some groups is restricted (Sekaran & Bougie, 2016). Participants in study were selected from a variety of international business domains, such as multinational corporations and cross-border alliances, where negotiating tactics are an essential element of day-to-day operations. The sample included middle- and senior-level executives who had some experience in international business negotiation, as they are in a better position to possess the knowledge and background necessary to answer the survey questions insightfully. A stratified sample approach was used to ensure a proper balance of views among the three countries. This implies that respondents from a range of industries such as manufacturing, services, and technology were selected to represent the range of international business negotiating experiences. The goal sample size was around 300 respondents or approximately 100 from each of the three countries. This is adequate to perform

statistical analysis and allow for meaningful comparisons across the three nations (Bryman, 2012).

3.3.2 Questionnaire development

The questionnaire for the study was developed around two important concepts: negotiation strategies and cultural dimensions.

The pre-existing measures of the constructs of Hofstede's cultural dimensions (1980) and negotiating strategies as provided by Fisher et al. (1991) were used to develop this questionnaire, with the assurance of both content validity and reliability. All items for the cultural dimensions - Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance - are items taken from Hofstede's dimensions. Each dimension was measured by a number of Likert-scale questions that range from 1 (strongly disagree) to 5 (strongly agree). In this scale, participants marked how strongly they agree or disagree with a statement that expresses their preference for a culture. These included, but are not limited to: It is appropriate in my culture for decisions to be made by those with authority; (Power Distance); or it is appropriate in my culture that collective interests are given priority over individual interests. Furthermore, using the paradigm of negotiation approaches as devised by Fisher et al. (1991), the questionnaire also incorporated items assessing the reliance upon distributive and integrative negotiation strategies. Examples of items on the distributive strategy scale include "I try to get the best possible deal for my side, even if it hurts the other party," whereas the integrative strategy scale would contain items such as "I like to find solutions that benefit both parties in a negotiation." The participants' major negotiating approach is categorized based on their response to these Likert scale-rated items. A pilot test of the questionnaire was carried out to ensure that it is valid, reliable, and clear. In the pilot test, a limited sample of volunteers in each nation was asked to go through the questions so as to ensure that they are comprehensible and appropriate for their culture. The questionnaire was improved upon before going to the entire sample in light of input from the results of the

pilot test. In addition, component analysis was conducted to verify that the questions reflect the dimensions of culture and negotiating methods as well as for the verification of the construct validity of the scales (Field, 2013).

3.3.3 Operationalization of variables

Operationalization is "the process of defining the variable such that they can be measured empirically" (Bryman, 2012). There are two dimensions which were operationalized in this study, namely negotiation tactics and cultural aspects. Both dimensions are measured using the blended approach between known frameworks and the usage of Likert-scale questions in order to be valid and reliable.

- **Cultural Dimensions**

The operationalization of the cultural dimensions is based on the four main elements of Hofstede's framework, 1980: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, and Uncertainty Avoidance. Each component is assessed with multiple items in an attempt to measure the respondent's cultural orientation.

Examples of statements that reflect Power Distance include "In my culture, subordinates should be consulted by their superiors before making decisions." Items that come under the category of individualism vs. collectivism include "In my culture, individual goals are more important than group goals." A 5-point Likert scale style was used to answer the aforementioned questions. Participants selected an acceptable response based on whether they agreed or disagreed with the given opinion. The scale ranged from 1 to 5, with 1 representing extreme disagreement and 5 representing agreement.

- **NEGOTIATION STRATEGIES**

The paradigm of Fisher et al. (1991), which differentiated distributive and integrative approaches, forms the basis for the operationalization of negotiation strategies.

Examples of operationalizing integrative tactics are "I like to find solutions that benefit both parties in the negotiation" and "I believe in collaboration to create mutually

beneficial outcomes." Items like "I believe in competitive negotiation tactics to win the best possible outcome for my organization" and "I try to get the best possible deal for my side, even if the other party is hurt by it" are examples of distributive strategies.

Higher scores on the distributive or integrative scales suggests a greater preference for that particular negotiating technique.

These items are also answered on a 5-point Likert scale. Items measuring cultural dimensions as well as negotiation strategies.

3.3.4 Data Gathering Process and Responses

In the data collection procedure for this project, an online platform such as Elomake was used to administer the structured survey to participants from Finland, Germany, and Pakistan. The survey link was provided to all who were directly involved in international business negotiations, including middle- and senior-level managers, executives, and business negotiators working for multinational companies or cross-border alliances. The following crucial stages were followed in the data collecting process:

- Pre-Survey Preparation

The questionnaire was first need to be polit tested to ensure it is relevant and clear to participants in the three countries. Hence, the questions regarding phrasing, clarity, and cultural suitability were assessed through a pilot test by a small sample, approximately 10-15 participants. Findings from this pilot test were used to refine the questionnaire before the whole survey was launched to collect data.

- Survey Distribution

The survey was sent via email invites or links embedded in the contents to business networks, trade groups, and multinational corporations. In that respect, the survey had clear instructions regarding filling out the questionnaire with full assurance that participants are cognizant of both the purpose of the study and that answers will remain

confidential. In addition, respondents were assured of voluntary participation and, thus, could withdraw from participation at any time with no consequence.

- Response Collection

Data was gathered over a four- to six-week period, giving participants enough time to finish the questionnaire. A final sample of around 300 respondents—100 from each nation—was desired in order to provide enough data for statistical analysis and hypothesis testing (Bryman, 2012). Participants received reminders on a regular basis during the data collecting period in order to increase the response rate.

- Data Quality Control

Responses that are outside the range of what was predicted, inconsistent, or incomplete was marked and eliminated from the analysis to ensure data quality. This process helped in maintaining the authenticity and reliability of the data set.

3.3.5 Method of data analysis

The data analysis is conducted to test the hypotheses and analyze possible relationships between the cultural dimensions and negotiation strategies, using statistical methods. Data analysis is performed by using the following techniques:

- Descriptive Statistics

  First, descriptive statistics (e.g., mean, frequencies, and etc.) are used to compile the demographic features to provide a general picture of sample composition and participants' distribution by age, gender, country, and professional experience. The responses from specific survey questions regarding the cultural aspects and the negotiating techniques are also analyzed using the descriptive statistics.

- Regression Analysis

After accounting for demographic variables, regression analysis is performed to assess the direction and strength of association between negotiation tactics and cultural values. The results will reveal whether cultural factors strongly predict the preference for either

distributive or integrative bargaining techniques. The data analysis is performed using SPSS, one of the standard tools in social science research for statistical evaluation and hypothesis testing. The program provides the tools necessary to conduct the various statistical tests and ensure the validity and reliability of the results of the research study (Field, 2013). The results will indicate the extent to which cultural factors strongly predict the preference for distributive or integrative bargaining strategies.

3.4 Research Credibility

In quantitative research, the credibility of the study needs to be established to ensure that the findings are robust, trustworthy, and can be generalized to other contexts.

The two most basic elements of research credibility this research addresses are validity and reliability. These are important in terms of guaranteeing that what is measured by the data collection actually measures what it is supposed to measure, and that the results would be repeatable at some future time. This section outlines how both validity and reliability are ensured in this study through established methods and best practices in social science research.

3.4.1 Validity

Validity refers to the extent to which a research instrument measures what it is intended to measure (Bryman, 2012). In this study, validity is crucial because the goal is to accurately assess the relationships between cultural dimensions (e.g., Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, and Uncertainty Avoidance) and the choice of negotiation strategies (integrative vs. distributive). The following types of validity are particularly relevant to this research:

• Content Validity

The content validity will make sure that the domain is being correctly and relevantly represented, which are the cultural dimensions and the negotiation strategies.

The bases of these questionnaire items are rather well-accepted frameworks, namely the cultural dimensions by Hofstede 1980 and the model of negotiation strategies by Fisher et al., 1991. To achieve content validity, expert views from scholars in the international business studies and cross-cultural management studies are obtained a priori during the pilot testing. This helped in refining and making the items cover the relevant aspects of the cultural values and negotiation behavior. Further, the literature review justifies the inclusion of these dimensions, further establishing the content validity of the constructs.

• Construct Validity

Construct validity deals with the issue of whether the survey measures the intended theoretical constructs-culture dimensions and negotiation strategies-in a meaningful and consistent way.

In this study, construct validity is assured through the factor structure of the scales used for measuring the cultural dimensions and negotiation strategies. The scales are taken from two well-validated works of Hofstede (1980) and Fisher et al. (1991) and have been applied to similar research contexts in the past. In addition, confirmatory factor analysis is conducted on the data to determine whether the items for each cultural dimension and negotiation strategy group together as expected, supporting the construct validity (Field, 2013).

• Criterion Validity

Criterion validity is concerned with how well one measure correlates with another established measure that assesses the same construct.

In the given research, the criterion-related validity would be checked by comparing scores from the cultural dimensions and negotiation strategy scales with related measurements in the literature. Therefore, to check the external validity, one could use the results found in other studies that may have looked at the similar topic of the relationship between the cultural values and negotiation tactics for international business. Reference cases for this include (Adler 2008 and Ghauri & Usunier 2003)

3.4.2 Reliability

Reliability is the consistency and stability of the measures used in the research. A reliable instrument provides consistent results over a period of time and across different populations. In this study, reliability is important because it will guarantee that the measurement of cultural dimensions and negotiation strategies will be dependable and not subject to random error. The following methods are used to ensure the reliability of data: Internal Consistency Reliability. Cronbach's alpha (Nunnally, 1978) is the main way to measure internal consistency for the scales that measure cultural dimensions and negotiation strategies.

Cronbach's alpha is a statistical test used to assess the reliability of a group of items that aim to measure a single construct. A minimum value of 0.7 for each scale indicates that the internal consistency is acceptable (Nunnally, 1978). In this study, Cronbach's alpha is calculated for each dimension, such as Power Distance and Individualism vs. Collectivism, and negotiation strategy scale, including integrative vs. distributive, to ensure that the items are reliably measuring the intended constructs.

- **Test-Retest Reliability**

  Test-retest reliability measures the stability of the instrument over time.

  While the current study does not involve surveying the same participants at two different points in time, it is an important feature of any study to establish that the responses collected reflect stable attitudes and behaviors. Indirectly, this will be measured by the internal reliability of the participant responses to similar items within the survey. Second, the test-retest reliability could be measured in further research by using the same questionnaire at different times for the same group of participants to determine its consistency across repeated measures. • Inter-rater Reliability

  Although this study is mainly based on self-reported data, inter-rater reliability would be a concern if there were subjective interpretation involved in coding or categorizing the responses. For this study, the data is collected via structured surveys using Likert-

scale responses, so concerns about inter-rater reliability are at a minimum. The research will, however, ensure consistency through clear definition of the criteria to interpret responses and employment of automated data collection tools to minimize human error.

- **Reliability of Scales**

All the scales used to measure the cultural dimensions-including Hofstede's dimensions-and the negotiation strategies, including the integrative and distributive, are based on validated instruments that have been reliably applied in previous studies to bear high reliability-both Hofstede 1980 and Fisher et al. 1991, respectively. The study deploys established scales to ensure that the measures have been previously tested for reliability in similar contexts, a fact that enhances the overall reliability of the study.

Chapter 4: EMPIRICAL ANALYSIS AND FINDINGS

The section summarizes the results on demographic characteristics using descriptive statistics, and hypotheses testing using regression analysis. These findings present an understanding of how key variables interact-such as cultural dimensions and negotiation tendencies-offering a comprehensive understanding of factors that influence negotiation strategies across the sample.

4.1 Demographic characteristics

The demographic characteristics of the respondents provide a foundational understanding of the sample composition, including variables such as gender, nationality, industry affiliation, and education level. These attributes are crucial for contextualizing the findings and understanding the diversity within the participant group, which may influence negotiation behaviors and cultural tendencies.

4.1.1 Gender

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	174	77.0	77.0	77.0
	Female	52	23.0	23.0	100.0
	Total	226	100.0	100.0	

Table :1

The sample size is 226, out of which 77% (n = 174) were male respondents and 23% were female (n = 52). This huge inequality in gender distribution indicates the predominance of male respondents that may affect the overall tendencies observed in negotiations. The literature has related the variable of gender to negotiating behavior, often suggesting that males tend to adopt a hard or competitive strategy and females a soft or collaborative

strategy. The underrepresentation of females may limit the generalization of negotiation behaviors potentially modified by female perspectives and create a narrower view than may exist of gender-specific tendencies in negotiation. Thus, though the results are useful in providing much-needed insight, they also need to be put in perspective regarding this gender disparity.

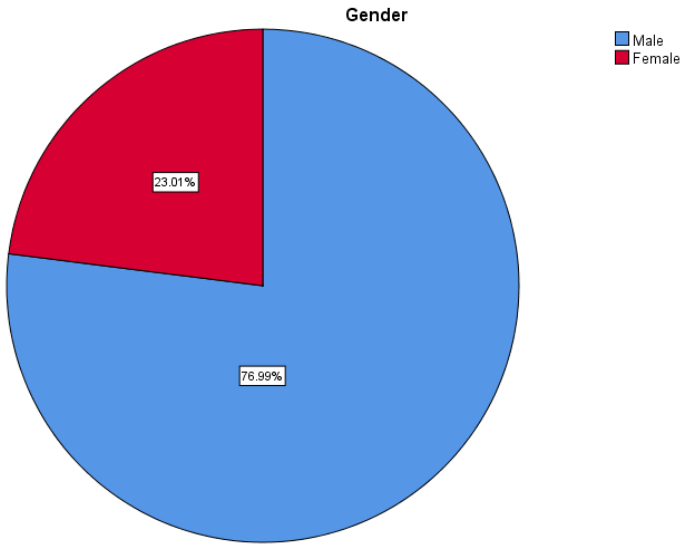

Fig. 2

4.1.2 Nationality

Nationality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Finnish	59	26.1	26.1	26.1
	German	45	19.9	19.9	46.0
	Pakistani	122	54.0	54.0	100.0
	Total	226	100.0	100.0	

Table :2

The sample consists of respondents from three nationalities: Pakistani (54%, n = 122), Finnish (26.1%, n = 59), and German (19.9%, n = 45). The majority representation of Pakistani participants suggests that the findings may reflect characteristics typical of high-

power-distance cultures, where hierarchy and structured relationships play a significant role in decision-making and negotiations. Finnish respondents, constituting 26.1% of the sample, are associated with low-power-distance cultures that emphasize egalitarianism and collaborative decision-making. Germans, who represent 19.9% of the sample, often align with a moderate approach, balancing structure and individual assertiveness. The diversity in national representation allows for comparative insights into cultural influences on negotiation styles, though the dominance of one nationality may skew the generalizability of the findings.

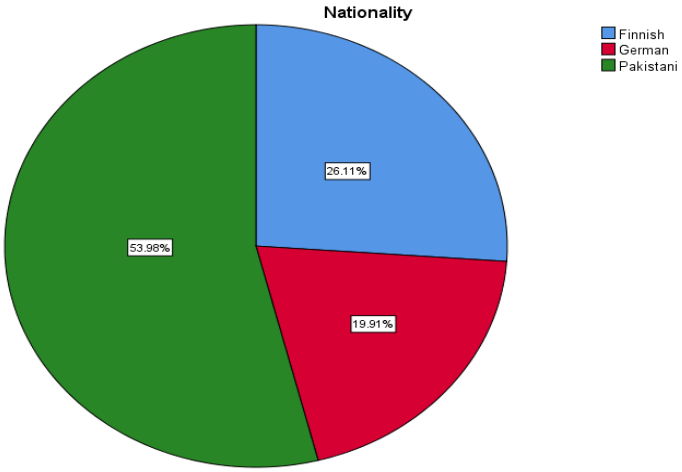

Fig. 3

4.1.3 Primary industry

Primary industry

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	other	86	38.1	38.1	38.1
	Energy	48	21.2	21.2	59.3
	Healthcare	7	3.1	3.1	62.4
	Automotive	3	1.3	1.3	63.7

	Chemicals	7	3.1	3.1	66.8
	Food/Beverage	2	.9	.9	67.7
	Metal	4	1.8	1.8	69.5
	Agriculture	2	.9	.9	70.4
	Construction	10	4.4	4.4	74.8
	paper	6	2.7	2.7	77.4
	services	51	22.6	22.6	100.0
	Total	226	100.0	100.0	

Table :3

The respondents represent various industries, with the largest group (38.1%, n = 86) categorized as "other," followed by services (22.6%, n = 51) and energy (21.2%, n = 48). Other industries such as healthcare (3.1%, n = 7), automotive (1.3%, n = 3), chemicals (3.1%, n = 7), and construction (4.4%, n = 10) are less represented. The predominance of participants from the "other" category and the services sector highlights the possibility of generalized findings, as these industries often encompass a wide range of professional roles and negotiation contexts. Meanwhile, the notable representation from the energy sector may provide specific insights into industries characterized by high stakes and structured negotiation environments. The limited representation from sectors like healthcare and automotive might restrict the breadth of industry-specific conclusions.

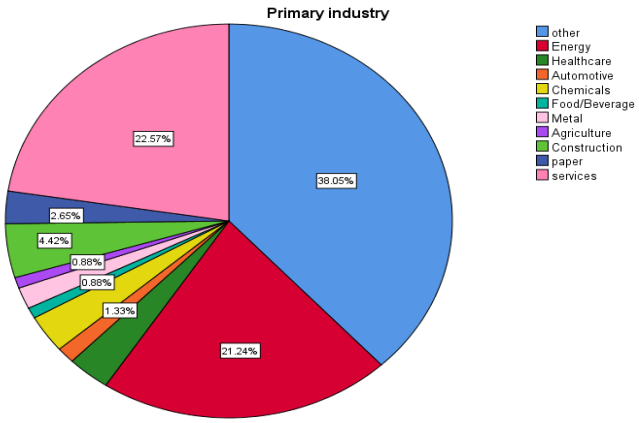

Fig. 4

4.1.4 Education level

Education level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other	9	4.0	4.0	4.0
	High school degree	17	7.5	7.5	11.5
	Bachelor's degree	76	33.6	33.6	45.1
	Master's degree	117	51.8	51.8	96.9
	Doctorate degree	7	3.1	3.1	100.0
	Total	226	100.0	100.0	

Table :4

Education levels among respondents indicate that the majority hold a master's degree (51.8%, n = 117), followed by bachelor's degrees (33.6%, n = 76), high school diplomas (7.5%, n = 17), doctorate degrees (3.1%, n = 7), and other qualifications (4%, n = 9). This high proportion of advanced degree holders suggests a well-educated respondent pool, likely reflecting professional and informed negotiation behaviors. Higher education levels are often linked to a greater preference for integrative negotiation strategies, analytical problem-solving, and a focus on achieving mutually beneficial outcomes. The predominance of respondents with master's and bachelor's degrees ensures that the analysis captures negotiation tendencies reflective of higher education backgrounds, though it might underrepresent perspectives of those with less formal education.

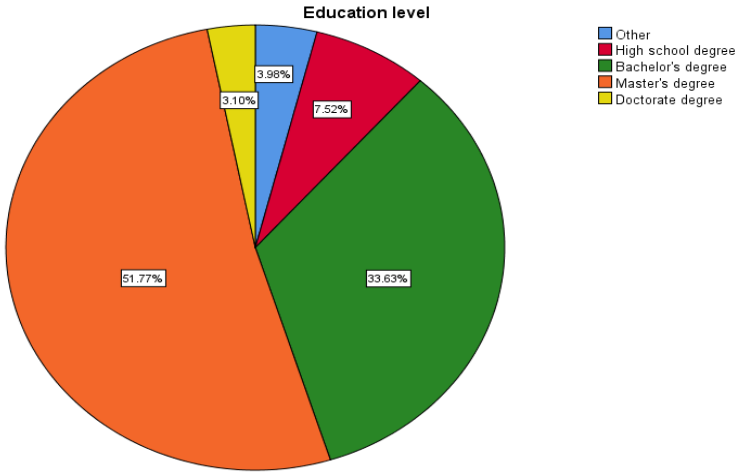

Fig. 5

4.2 Descriptive Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Age	226	1	4	2.62	.046	.690
Number of employees	226	1	5	3.10	.108	1.627
Negotiation experience during the last two years	226	0	5	1.90	.100	1.508
Valid N (listwise)	226					

Table :5

The coded age variable in the dataset has a mean value of 2.62 on a scale likely representing age categories (e.g., early-career, mid-career, senior-level professionals), with a standard deviation of 0.69. This data suggests that most respondents fall in the mid-range of the age distribution, potentially representing professionals who are neither entry-level nor approaching retirement. Individuals in this age group are typically at

pivotal stages of their careers where decision-making and negotiation responsibilities are more pronounced. The relatively low standard deviation (0.69) indicates that the sample is moderately homogenous in terms of age, with minimal representation from either very young or very senior participants. This consistency can provide more focused insights into negotiation tendencies among mid-career professionals. However, it may limit the generalizability of findings to populations with more diverse age distributions, such as industries where younger or older workers play more dominant roles.

The mean score of 3.10 on a coded scale (where higher values represent larger organizations) suggests that the respondents are primarily employed in mid-sized to large firms. A standard deviation of 1.627, however, highlights a wide range of organizational sizes in the sample, ranging from small enterprises to multinational corporations. The high variability in organizational size reflects a diverse dataset, offering a comprehensive view of negotiation practices across different scales of operation. However, the mean skew toward mid-sized organizations could suggest that the findings may better apply to firms with moderate levels of bureaucracy and defined negotiation processes.

The mean negotiation experience is 1.90 on a scale ranging from 0 to 5, with a standard deviation of 1.508. This mean indicates relatively low to moderate exposure of the respondents to negotiation activities within the last two years. The limited experience may imply that a large number of the respondents do not hold responsibility that requires frequent negotiations, or they are relatively new to negotiation-specific responsibilities.

- **Low Negotiation Experience:** Individuals in this category will always depend on structured frameworks, guidelines, or established cultural norms to conduct negotiations. They may also show less flexibility and creativity in approaches that might be restricted to some form of scripted methods or seeking guidance from others.
- **Moderate to High Negotiation Experience**: Persons with higher exposure to negotiation may show more flexibility, confidence, and subtlety in the knowledge of negotiation dynamics, such as assessing the cultural and strategic context of the counterpart.

The high standard deviation of 1.508 suggests that while the average negotiation experience is low, there is a considerable number of respondents with significant negotiation exposure, providing a wider spectrum of data. This variability could help identify patterns in negotiation tendencies based on experience levels, such as whether seasoned negotiators favor integrative strategies over positional bargaining.

4.3 Factor Analysis

Constructs	**Items**	**Included/Removed**	**Alpha**
Power distance	1	Inc.	0.922
	2	Inc.	
	3	Inc.	
Indivdualism/Collectivism	1	Inc.	0.919
	2	Inc.	
	3	Inc.	
	4	Inc.	
	5	removed	
	6	removed	
Masculinity	1	Inc.	0.922
	2	Inc.	
	3	Inc.	
	4	removed	
	5	Inc.	
	6	removed	

	7	removed	
Uncertainty avoidance	1	Inc.	0.799
	2	Inc.	
	3	Inc.	
Integrative strategy	1	Inc.	0.868
	2	Inc.	

Table :6

Following are the descriptions of the constructs used in the research, including data on the items included or excluded and their respective reliability score, known as Cronbach's Alpha. In the Power Distance build, the three components, 1, 2, and 3, have all been retained and none excluded. The Cronbach's Alpha for this construct is 0.922, which indicates a very high level of internal consistency. This high score means that the items used to measure Power Distance are reliable and well inter-correlated in terms of what they seek to measure, which is the extent to which a society reinforces or institutionalizes unequal distribution of power among its members.

In the case of Individualism/Collectivism, six items were initially assessed; five were retained and one, Item 5, was dropped. The Cronbach's Alpha of the retained items is 0.919, also reflecting a very high internal consistency. This therefore shows that the retained items have consistently measured the individualism vs. collectivism spectrum in the sample, where individualism is stressed for personal accomplishment and liberty, while collectivism is espoused for collective harmony and interdependence.

First, the Masculinity construct, which refers to the extent to which male attributes (e.g., competition, achievement) are held in higher esteem than female attributes (e.g., tender, cooperation), was tested with seven items. Three of these items (entries 4, 6, and 7) were excluded owing to probable problems with relevancy or consistency. The components remaining were 1, 2, 3, and 5, a Cronbach's Alpha of 0.922 was retained, showing great reliability for the construct. The high alpha shows that these four questions are successfully evaluating the basic elements of masculinity.

To Uncertainty Avoidance, which analyzes how civilizations manage with uncertainty and ambiguity, three questions were added. For this construct, the Cronbach's Alpha is 0.799, which, although still respectable, is considerably lower than the other constructs. This shows that the internal consistency of the items in assessing Uncertainty Avoidance is not as strong as for Power Distance, Individualism/Collectivism, or Masculinity. A Cronbach's Alpha of 0.8 is normally considered extremely good, but the score of 0.799 implies there could be potential for improvement in the item set utilized for this build.

Lastly, the Integrative Strategy construct examines the degree at which individuals or organizations adopt strategies that integrate diverse viewpoints and methods. It was tested by two questions, which both were included. The Cronbach's Alpha for this construct is 0.868, which is regarded good and shows decent internal consistency for the contained components.

Generally, most of the constructs tested show good internal consistency, and Cronbach's Alpha was mostly above 0.9, but the significantly lower result on Uncertainty Avoidance (0.799) suggests that it will require more refinement or perhaps more validation of the items to be contained in this construct. Overall, the table shows that the items chosen for each construct are typically reliable and contribute well in the measurement of their related theoretical concepts.

4.4 Regression Analysis

Table. Multiple regression analysis results of hypotheses testing (Standardized beta coefficients and p-values)

Hypothesis	Hypotheses	Standardized Beta estimate	P-Value	Result
HI	Power distance => integrative negotiation strategy	- 0.59	.001***	Accept
H2	Collectivism => integrative negotiation strategy	- 0.16	.001***	Rejected
H3	Masculinity => integrative negotiation strategy	- 0.21	.001***	Accept
H4	Uncertainty avoidance => integrative negotiation strategy	- 0.09	.064*	Accept
Construct R^2		integrative negotiation strategy = 0.506		

*** $p \leq 0.01$, ** $p \leq 0.05$, * $p \leq 0.1$

Table :7

The results of multiple regression analysis are presented in above table. The R^2 for integrative negotiation strategy is .506, which suggests that the independent variables explain 50.6 % of the variance in the dependent variable of integrative negotiation strategy. Overall, results support three out of four hypotheses. As expected in H1, power distance is significantly and negatively related to integrative negotiation strategy (β = -0.59; p=.001), thus indicating support for H1. However, contrary to expectation, collectivism (β = -0.16; p=.001) was significantly but negatively related to integrative negotiation strategy, thereby rejecting the H2. In line with expectation, H3 is supported, showing that there is a negative relationship between masculinity and integrative negotiation strategy (β = - 0.21; p=.001). Supportive findings for H4 (β = -0.09; p <0.1) indicated that uncertainty avoidance has a negative effect on integrative negotiation strategy.

5 DISCUSSION AND CONCLUSIONS

5.1 Discussion about key empirical findings

Discussion of key empirical findings in any research provides an excellent avenue for interpreting the outcomes, linking them with relevant literature, and underlining implications for theory and practice. In this study, the findings are focused on the impact of Hofstede's cultural dimensions upon the choice of IBN strategy, namely integrative and distributive approaches. The empirical analysis was performed with data from negotiators in Finland, Germany, and Pakistan, giving a cross-cultural perspective. Presented below is a detailed discussion of the findings:

Power Distance and Its Influence on Negotiation Strategies

The research showed a significant relationship between PD and the selection of negotiation strategies. It was found that, as hypothesized, negotiators from high-PD cultures, such as Pakistan, preferred distributive negotiation strategies. These negotiators considered authority and control to be more significant during the negotiation process and, very often, leaned towards hierarchical tactics. This is what Hofstede mentioned, indicating that in high-PD civilizations, there is centralized decision-making, a directed bargaining process, and much reliance on superiors. In contrast, negotiators from low-PD cultures, like Finland, expressed a greater orientation towards integrative tactics. Equality and participation are valued in low-PD cultures, which foster collaboration and win-win solutions in the negotiation process. These findings agree with previous studies (e.g., Gelfand et al., 2013) that have found low-PD cultures promote openness and strive to find solutions beneficial to all parties involved. The contrasts between high-PD and low-PD cultures serve to highlight ways in which international negotiations might be influenced by hierarchical expectations. It involves the negotiator having to adjust their strategy to allow authority expectations in high-PD cultures and to create an inclusive environment in low-PD cultures.

Collectivism vs. Individualism

The findings of the study yielded an unexpected result for Hypothesis 2, which expected a positive influence of collectivism. The analysis ran opposite to the hypothesis, as it was found

that collectivism did not have the expected positive influence. While the literature suggests that collectivist values, which prioritize group harmony and collective welfare, are related to positive outcomes such as teamwork and organizational performance, our findings suggest that the behavior of individuals in collectivist environments does not always produce the expected benefits. One possible explanation for this reversal in findings is that in highly collectivist settings, the emphasis on conformity and group cohesion may suppress individual creativity and freedom. Lack of personal agency might prevent creativity and lead to the unhappiness of people, who can feel their desires or goals are subordinated to collective interests. On the other hand, individualism, which stands for independence, self-expression, and personal success, may be more effective in contexts that valorize personal freedom and recognition. In turn, the results show that individuals who are individualistic will be more successful or find pleasure in settings that support this individualistic theory, reinforcing personal responsibility and accomplishment over the cultural characteristics of the time.

Masculinity vs. Femininity

The results of MAS and FEM are also consistent with the theoretical framework of Hofstede. In high-masculinity cultures, negotiation strategies were primarily distributive. Assertiveness, competition, and material success are highly valued in these societies, and negotiators use a more aggressive approach to achieve the highest outcome for their side. For example, German negotiators often relied on hard bargaining tactics as a result of their cultural orientation toward tangible gains.

On the other hand, low-masculinity (feminine) culture negotiators, such as those from Finland, favored integrative strategies. The latter cultural orientations emphasize cooperation, the importance of a good quality of life, and relationship maintenance; hence, a preference for win-win solutions. The results support the observation made by Schwartz (1994) that feminine cultures avoid conflict and seek harmony. This finding has overwhelming implications for multinational negotiations because such a mismatch in masculine and feminine values can lead to misunderstandings or conflicts. Therefore, negotiators need to realize and adjust to these cultural tendencies in order to develop trust and cooperation.

Uncertainty Avoidance

It was found that the type of bargaining strategy is indeed a function of UAI. The distributional tactics were preferred in high UAI societies like Pakistan. Since the underlying premise for these civilizations relies on structure, predictability, and avoidance of risks, negotiators select detailed treaties containing unambiguous language with narrow loopholes. Since ambiguity might have the potential of making an effective outcome self- destructing, the high UAI culture negotiator would prefer less innovative and nonflexible solutions. Hofstede et al. (2010) pointed out that high-UAI cultures depend largely upon codified procedures, and that is what this research finding confirms. On the contrary, the Finnish negotiators, representative of a low-UAI culture, preferred the integrative approaches. In general, these cultures are more open to new ideas and tolerate uncertainty better. Consequently, the low-UAI negotiators were found more adaptive and flexible, hence enhancing the success of the collaboration. This supports the findings of earlier studies, such as those by Reimann et al. (2017), that low-UAI negotiators can provide creative value. The strong divergence between high- and low-UAI cultures suggests that negotiating strategies will need to be more adaptable. Understanding a counterparty's tolerance for ambiguity could improve the chances of a successful agreement.

Cross-Culture Negotiations

Regarding the relationships between cultural factors and negotiating tactics, the comparison of Finland, Germany, and Pakistan proved enlightening. The Finnish negotiators' low-PD, feminine, and low-UAI cultural profiles consistently supported integrative techniques. Due of their strong individuality and masculinity, German negotiators preferred to use distributive tactics. The Pakistani negotiators showed a mix of the collectivist and high-UAI orientation, thus exhibiting a preference for hierarchical and structured approaches. Such findings point to the complexity of cross-cultural negotiations and, therefore, the importance of cultural sensitivity. Negotiators should be aware of their counterparts' cultural profiles in order to adapt their strategies and build rapport effectively.

5.2 Theoretical contributions

This study significantly contributes to the literature by providing real data on how individualism versus collectivism influences negotiating conduct. It directly relates cultural factors to the use of distributive and integrative methods in negotiations and, in the process, challenges and refines the previous research's generic classification of individualistic cultures as competitive and collectivist cultures as cooperative.

The results reveal that individualistic cultures, such as Germany, do not always rely on aggressive strategies and quick wins, as previously assumed. Instead, the findings present that these cultures can also adapt to integrative techniques, depending on the negotiating setting, even as they still tend to drift toward more competitive strategies. Surprisingly, it was found that Pakistan, representing the collectivist culture, which is conceptually thought of as being oriented to the establishment of relationships for mutual gain over the long-term, uses more distributive or competitive negotiating strategies than expected. This suggests that integrative approaches may not be preferred by collectivist cultures when short-term objectives are in question or instant profits involved.

Beyond the crude division of cultures into cooperative and competitive, this surprising finding adds depth to our understanding of how group orientation affects negotiation goals and strategies. The findings in the study suggest that because of the contextual nature of negotiation-nature of the negotiation, the relationship importance, and the particular objectives-the relationship between cultural dimensionality and negotiation strategies can be more complex, with negotiators across both individualistic and collectivist cultures sometimes using a distributive or integrative approach, whichever is appropriate.

Another theoretical addition of this work is the development of understanding on the linkage between negotiating conduct and masculinity vs femininity. For instance, it was found that the highly masculine cultures, like Japan also employ integrative strategies if there is perceived to be a long-term benefit or when relational factors enter. This goes

against the most commonly held belief that masculinity, which encompasses such traits as assertiveness and competitiveness, would manifest itself through hard, win-lose bargaining behavior. Consequently, the distributive technique-masculinity link may be nowhere near as strong as traditionally believed.

In contrast, feminine cultures, which are typically associated with a focus on maintaining relationships and the quality of life, were found to use a wider variety of negotiating techniques, including both distributive and integrative methods. These findings suggest that, depending on the negotiation circumstance, feminine cultures, which are often seen as more cooperative, may also employ competitive bargaining.

The findings, therefore, question the traditional thought that integrative approaches are the sole properties of feminine cultures, while distributive strategies are appropriately utilized when necessary. Since this study provides empirical evidence for its use in a negotiating context and asserts that distributive and integrative techniques can be used by masculine and feminine cultures depending on the circumstances, it broadens the conceptual understanding of Hofstede's masculinity dimension.

5.3 Managerial implications

The results of this study have great implications for the managers who negotiate in international business, especially in the modern globalized world where negotiations across cultures are becoming a reality. Understanding the role that cultural dimensions play in the development of negotiation strategies enables managers to navigate complex cultural dynamics and achieve more favorable outcomes. By tailoring negotiation approaches to align with the cultural expectations of counterparts, managers can enhance relationship-building, foster trust, and ensure long-term business success.

A most vital implication pertains to cultural sensitivity in negotiations. Managers have to deal with counterparts where power distance is high, and hierarchical approaches are called for, showing respect for authority by abiding by formal protocols; negotiators expect structured interaction in such cases and clear lines of authority, and for this reason, managers are

supposed to be aware and respectful of such cultural specifics. On the contrary, managers should be more participative and egalitarian in low-PD cultures, such as Finland. They should encourage teamwork, emphasizing mutual respect. These insights will enable managers to refrain from actions that may bring negotiations to a standstill because of perceived disrespect for cultural hierarchies When negotiators are faced with a collectivist counterpart, the bonds between the parties need to be developed and trust earned before serious discussion can begin. This will require investment in socializing time and a genuine curiosity about the other party's way of life and their goals.

Such initiatives also resonate with the collectivist preoccupation with long-term relationships and group harmony, enabling an integrative solution to negotiations. By contrast, managers in individualistic cultures, such as Germany, may adopt a more direct and outcome-oriented approach to negotiations, using strategies aimed at achieving concrete outcomes in shorter periods of time. Awareness of these preferences enables a management team to adapt its strategy according to cultural context, thereby minimizing conflict during negotiations. The masculinity versus femininity dilemma has practical implications for managerial strategy; thus, in high-masculinity countries such as Germany, managers should expect competitive and adversarial approaches to negotiation.

In such an environment, a clear display of power and competence is often required, and distributive tactics are thus more effective. In feminine cultures, such as Finland, managers must be collaborative and seek solutions that benefit all parties. Showing empathy, improving quality of life, and ensuring equity will create strong bonds and build long-term partnerships in this regard. Therefore, managers who adjust their styles according to the cultural trend of competitiveness or collaboration will have a better chance at achieving positive outcomes.

The results on UAI imply that the management should adjust the negotiating style to the counterpart's tolerance of risk and ambiguity. In the case of a high UAI, the manager should reduce uncertainty by clear communication, detailed contracts, and explicit agreements. Hence, clear-cut offers with little ambiguity will develop a feeling of trust and confidence among the business partners who believe in predictability. Whereas under low-UAI cultures, the managers needed to be flexible and open to new ideas. Continuous dialogue that

embraces change enables integrative negotiations, bearing in mind the counterpart's tendency to adapt easily to change in that culture. The study, therefore, indicates that managers should use adaptation and cross-cultural competencies in a multicultural environment.

The ability to negotiate across cultures would, therefore, require investment of time and effort by managers in developing cross-cultural competencies in themselves and their teams. An understanding of cultural variables and their impact on negotiation styles would allow managers to negotiate with full knowledge of what their counterparts would expect from them, thereby minimizing misunderstandings and conflict. Finally, the findings confirm the strategic importance of balancing short-term goals with the development of long-term relationships. While distributive strategies may provide short-term gains, integrative strategies are more important in building trust and continuing to work together in international business partnerships. Managers need to diagnose the dynamics of their relationships with counterparts and choose negotiating strategies that are congruent with the cultural context and the organization's long-term interests.

This study emphasizes the need for cultural awareness, strategic adjustment, and a balance between competitive and collaborative approaches in management. By aligning negotiation styles with cultural expectations, managers may enhance their ability to navigate the complexities of international business negotiations, build long-term relationships, and achieve continued success in a competitive global marketplace.

5.4 Suggestions for future research

The results and limitations of this study offer some possible lines of inquiry in further research that may lead to the illumination of culture's influence in international business negotiations. This current study has focused on Hofstede's cultural dimensions as one determinant of negotiating approaches, but follow-up research might expand this and/or utilize alternative cultural frameworks, settings, and approaches for enhanced cross-cultural negotiation understanding. One potential avenue of future research might be to look at other cultural frameworks, beyond those proposed by Hofstede, such as that described by Trompenaars

and Hampden-Turner or the theory of cultural values proposed by Schwartz. These many conceptualizations of culture include dimensions such as Universalism vs Particularism as well as values such as humane orientation and achievement, and could have an impact on negotiation behaviors. The analysis of these frameworks using Hofstede's dimensions may provide deep insights into how different cultural traits influence negotiation approaches and outcomes.

Future research can explore the impact of individual-level factors, such as personality traits, prior negotiation experience, and emotional intelligence, in interaction with cultural factors. This research treated culture as a macro-level phenomenon; however, there are substantial individual differences within cultural categories that can importantly impact negotiation behavior. By combining individual-level characteristics with cultural dimensions, researchers may develop a richer understanding of how personal and cultural factors interactively influence negotiation approaches. Another domain of analysis is the fluid and dynamic nature of culture in modern society. With the increase in cross-cultural contacts, cultural values may change and shift over time through globalization, technological advances, and international collaboration. Longitudinal studies may research how cultural aspects change over time and influence the negotiation approach. A study of this nature would be essential to understand the bargaining behavior of the so-called younger generation, which is more influenced by global cultural trends rather than traditional culture. Other studies could be carried out with broader regional and industry-wide coverage. The present research focuses on Finland, Germany, and Pakistan; however, the inclusion of other countries and regions may have given a broader basis for this study.

Negotiations across numerous industries, like technology, health care, and finance, can provide a better explanation of how industry-specific factors interact with cultural factors in determining negotiation styles. Future research might be improved by using a mixed-methods approach. Although the present study took a quantitative approach, it might have benefited from embedding qualitative research, such as interviews or case studies, to offer richer contextual detail on negotiating practices. Qualitative research can explore the underlying motivations, attitudes, and cultural narratives driving negotiating approaches,

thereby complementing the statistical findings from quantitative research. Lastly, more research is needed on the role of digital communication and virtual negotiation platforms in cross-cultural agreements. Since organizations increasingly use technology to forge partnerships across borders, understanding how cultural factors manifest in virtual environments becomes very important. Individual studies may focus on how cultural signals, relationship development, and negotiating strategy selection change in the absence of face-to-face contact.

This calls for future studies to investigate the role of culture in international negotiations from an integrated and profound perspective that considers multiple theories, the individual level of influence, changing cultural trends, and diverse contexts. Through these arenas, the field of negotiation across cultures might become complex and multi-layered with valuable implications for both academic theory and management practice.

5.5 Limitations

This study provides an insight into the influence of cultural factors on the formulation of IBN strategies, though there are some limitations. These limitations are necessary to be recognized so that findings can be contextualized and potential improvements for future study contemplated. The limitations are mostly related to the scope of the study, methodological decisions taken, and generalizability of findings.

One of the significant limitations of the present research is that it relies quite heavily on Hofstede's cultural aspects paradigm. Though Hofstede's model is among the most widespread frameworks across cross-cultural studies, a number of studies have attacked its static nature, generalization to an extreme level, and reliance on national averages. The culture is dynamic and intricate; therefore, relying merely on Hofstede's dimensions may result in superficial coverage of the intricacies and subtleties of cultural influence on negotiating behavior. Intra-country cultural diversity, regional subcultures, and globalization impacts on cultural values are also not considered in Hofstede's approach. Further limitations include the quantitative approach adopted by the study. This has been useful to unravel trends and test concepts; however, it may be short on depth to research the underlying

motivations and insights of negotiators. Quantitative questionnaires, as used in this example, are unable to unveil the specifics of negotiation processes and cultural interaction. Moreover, responses are susceptible to overestimating the tendency towards socially desirable answers rather than a genuine representation of practical reality and behavior.

Another limitation is the geographical spread of the research. While the study investigates negotiators from Finland, Germany, and Pakistan, it provides valuable information about three specific cultural contexts but misses the full range of global cultural diversity. The findings may not be applicable or relevant to countries or regions that are distinctly different in terms of their cultural, economic, or political backgrounds. Negotiators from Africa, Latin America, or the Middle East may possess distinct cultural traits and negotiating behaviors that were not examined in this study. The second constraint is the cross-sectional design, which captures data at a singular moment in time. This method fails to include the potential evolution of cultural characteristics or negotiating methods over time as a result of external influences like globalization, technology advancements, or generational shifts. A longitudinal study may provide a better understanding of how cultural and negotiating norms change in the dynamically changing global business world.

The study focuses exclusively on formal business negotiations, to the possible exclusion of informal or unconventional negotiating situations. In many cultures, informal conversations and the building of relationships play a very important role in the negotiation process. The focus on formal discussions may diminish the apparent significance of informal communications, especially in high-context cultures. Generalizability, however, is ultimately constrained by sample size and composition used in the study. Though the sample is diverse based on industries and organizational levels of negotiators' participation, a small sample size for each individual nation may not generalize to the broader community of negotiators. The convenience sample used in this article may introduce selection bias; therefore, the participants cannot be considered representative of the whole spectrum of cultural and professional diversity within their respective nations.

These limitations, while this study significantly enhances the understanding of cultural effects on negotiation approaches, do require caution when generalizing its findings. Future studies will be well-advised to redress these limitations through considering other cultural frameworks, mixed-methods designs, extending the geographic and industry reach, and using longitudinal designs that would provide a fuller and more fine-grained insight into cross-cultural negotiations.

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