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The Finnish style of international business negotiations

The impact of generations X, Y and Z

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ABSTRACT

The ongoing globalization is increasing the international business and raising the value of business contracts. The need for competent global negotiators will turn the eyes to the next generation Z. The objective of this thesis is to investigate the role of generations X, Y and Z on the negotiating tendencies of Finnish negotiators involved in international business. The topic is new and there is substantial need to research this field.

Theoretically the thesis leans on the work of Jeswald Salacuse whose 10 negotiation elements form the measured and studied variables. Methodologically the study falls into the research philosophies of positivism and critical realism. It does not present law-like generalization but increases the knowledge of the research area and aims to fill some part of the existing research gap. The research approach is deductive. The empirical part of the study was collected via e-mail survey from 141 respondents and the statistical program SPSS was used to analyze the data.

The results show significant differences between Finnish generations X, Y and Z members across nine out of ten negotiation elements. Extremely strong significant differences between generations X, Y and Z are found for the negotiation goal, personal style, time sensitivity, agreement form, team organization and risk taking. A very strong significant difference is found for communication style, and a strong significant difference is found for agreement building. However, no significant difference was found for attitude element.

This thesis achieved its aim to increase the knowledge of Finnish generation Z business negotiation behaviour. However, the research sample was limited, and the generation Z international business negotiation styles should be studied across different cultures and countries in the future research. The interest to understand the mindset of the young generation that is entering to companies is but academic also managerial.

KEYWORDS: International business negotiations; generations; negotiation elements

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1 INTRODUCTION

1.1 Background of the study

The ongoing globalization is increasing the international business and raising the value of business contracts. The mistakes done in the negotiations would be costly. There is high competition in the companies to get skilled employees and to get them functional as quickly as possible. The need for flexible global negotiators will turn the eyes to the next generation Z. They are the youngsters born 1994 – 2000 who will replace the retiring generation in the near future in companies all around the world. (Edwards, 2009) (Becker & Bish, 2019)

It is important to study the differences between the generations in regard to negotiation skills because the progressing globalization will increase the number of international negotiations. Part of this interest focuses on finding out whether the representatives of the generation Z are able to put aside their own, personal cultural values, behavior and expectations and work as international business negotiators. Is generation Z more global in their behavior? Generation Z is the first really global generation which lets us assume that crossing cultural borders would be easier for them than the previous generations (Lifintsev, Fleseriu, & Wellbrock, 2019).

Term globalization describes how trade and technology have made the world into a more connected and interdependent place. From economic perspective, globalization has been defined by Gelfand et al. (2011, p. 841) as “the rapid diffusion of economic, political, and cultural practices across national borders” (Gelfand, Lyon, & Lun, 2011). Marsella identifies the drivers of globalization as “all events, forces, and changes that are transnational, transcultural, and transborder, especially: capital flow, ownership, trade, telecommunications, transportation, political and military alliances, and international agencies” (Marsella, 2012, pp. 460-461).

With the Information age, globalization accelerated to a new global era of fast growing technology. Firms today operate in an embedded set of networks, where knowledge and resources are exchanged (Snehota & Håkansson, 1995).

Globalisation has not only increased the amount of international business transactions but has also increased the need of forming multi-cultural teams within companies. The business negotiation team with members from more than one nationality meeting another multicultural team from abroad will be normal everyday task. Team members and negotiating parties do not necessary belong to the same generation. All these factors are influencing in the negotiation process and collecting information and knowledge of their different impacts is more than interesting. It can be argued that strong cross-cultural competence combined with negotiation skills will characterize the most successful global players (Edmunds & Turner, 2005).

Finland's economy relies heavily on international business. There is a substantial need for professional negotiators who understand the value creation between Finnish companies and their foreign partners and vendors. (Walter, Ritter, & Gemünden, 2001). For countries like Finland whose high standard of living is based on international business it is crucial to be competitive in the global market. For a small open market economy like Finland, international business has always been important (EK, 2020) . In 2019 the ratio of exports to GDP rose to 40 per cent (EK, 2020). Long-term business relationships have always helped Finnish companies to implement their business strategies and to bring stability to the society in the large scale. However, there is very limited research investigating the negotiation tendencies of generations X and Y in Finland (Schwarz, 2019). Furthermore, though prior literature frequently mentions that generation Z (born between 1994 and 2000) will soon replace the generation X, but there is no study investigating the negotiation tendencies of generation Z as compared to generations X and Y in Finland.

1.2 Research questions and objectives of the study

The preceding discussion about the research gap on negotiation tendencies of generation X, Y and Z steers the course of the present thesis. The basic objective of this thesis is to investigate the role of generations X, Y and Z on the negotiating tendencies of Finnish negotiators involved in international business. Accordingly, the main research question is:

What is the impact of generations X, Y and Z on the negotiation's tendencies of Finnish negotiators involved in international business?

The main research question is approached and addressed by the following four sub-objectives:

(1) To study the conceptualization, process, and elements of international business negotiations.

(2) To increase understanding about conceptualization and characteristics of generations X, Y and Z.

(3) To explore understanding about the impact of generations X, Y and Z on the negotiating tendencies of negotiators in international business.

(4) To empirically investigate the impact of generations X, Y and Z on the negotiating tendencies of Finnish negotiators involved in international business.

Considering that there is already limited research, research by Schwartz 2019, done on negotiation tendencies of generation X and Y, therefore main focus of present thesis is comparing negotiation tendencies of generation Z with generations X and Y. Generation Z will be replacing generation X in the near future as workforce in Finland. Furthermore, another purpose is to guide managers to better understand and be prepared for the shift which generation Z may bring to organizational culture and negotiation style.

1.3 Delimitation of the study

The research perspective in this study is Finnish and its main purpose is to serve the business leaders of Finnish companies. The theoretical framework of the study is limited to few, but fundamental research works. Despite the fact that there are several theoretical frameworks defining international business negotiations, this research is limited to the work of Pervez Ghauri and Jean-Claude Usunier. From negotiations and culture perspective the work is limited to Jeswald Salacuse's ten negotiations tendencies. From cultural differences perspective this work is limited to Geert Hofstede's cultural dimensions framework.

The data collection method is a survey. The sample size is relatively small which has to be kept in mind when interpreting the results and how widely they can be generalized. Qualitative research would bring more deep insight to the topic but due to the limited time and resources it must be left for researchers in the future.

1.4 Definition of the key terms

The key terms in this thesis have been identified based on their importance in understanding the research phenomenon under study. These terms include: International business negotiations, culture, generations, generation X, generation Y, and generation Z. These terms are defined below table 1.

Key concept	Definition	Source
International business negotiations	A voluntary process whereby two or more business parties strive to reach an agreement on issues containing some degree of difference in interest.	Ghauri & Usunier(2003)
	a process in which two or more entities come together to discuss a common and conflicting interest in order to reach an agreement of mutual benefit	Moran & Harris (1987)

Culture	Collective programming of the mind which distinguishes the members of one category of people from another.	Hofstede (1982)
	Culture is a the socially transmitted behaviour patterns, norms, beliefs and values of a given community.	Salacuse (1998)
Generations	A group of people of the same age in a similar social location experiencing similar social events.	Mannheim (1997)
	A group of people who share a time and space in history that lends them a collective persona.	Strauss & Howe (2000)
	A cohort united by age and life stage, conditions and technology, events and experiences.	McCrimble (2009)
Generation X	Born between 1965 to 1979	
Generation Y	Born between 1980 to 1994	
Generation Z	Born between 1995 to 2009	

Table 1. Definitions of the key terms.

1.5 Previous studies

There are numerous studies of cross-cultural business negotiation. Also, many studies focus on generation Z, their expectations and attitudes towards working life and career. However, no studies have been conducted in respect to generation Z's negotiation style.

Cultural differences in international business have been widely studied during the past decades. Also, the impact of generation on the leadership and negotiation styles has been the key issue of several studies (Edge, Descours, & Oxley, 2017). However, the research has mainly focused on the older generations X (born 1965-1979) and Y (born 1980-2000) and the changes in their managerial styles. New knowledge about the generation Z is needed to improve the companies' performance and results in international business negotiations in the future.

Cross-cultural behavior is widely researched topic, and a large number of case studies has been made focusing on managerial skills and organizational behavior (Vieregge & Quick, 2011). The existing research of international negotiation styles has been focusing on generations X and Y. The difference between them and the generation Z has not been studied much yet. In their study of generations and culture Edmunds and Turner (2005) studied global generations and suggested that globalism should be embraced in the study of generations due to globally experienced traumatic events that may shape the development of global generations.

Vieregge & Quick (2011) studied generations and business negotiation in Asian cultures. Their findings showed that generations X and Y did not differ significantly from Baby Boomers (born 1947- 1965) across Hofstede's five dimensions of national culture. However, there was a significant difference between these generations in time spent on different negotiation phases. Also, negotiation behaviors seem to have changed among the younger generations.

In her recent study of negotiation tendencies and culture Schwartz (2019) explored the possible changes in cultural values and in behavior within international business negotiations in three selected countries Finland, Germany, and Pakistan. This study was focusing on generations X and Y. Schwartz has laid the foundation of this study which is limited to Finland but left for future research to study generation Z and their values and behavior.

There is a clear need for further research on if and how Finnish generations differ in their behavior, values, and business negotiation styles. At present there is no study about the international business negotiation tendencies of generation Z as compared to generations X and Y in Finland.

Previous studies						
Author(s) / Year	Focus of the study	Sample location	Theoretical roots	Methodology and sample size	Method of data analysis	Findings of the study
International business negotiation						
Pervez Ghauri (1996)	Develop a model of international business negotiations that include all the relevant elements influencing the process	na	Hofstede's cultural dimensions	Systematic literature review	na	A conceptual model of international business negotiations including the three major constructs: 1. Background factors 2. Atmosphere 3. Process
Culture						
Geert Hofstede (1982)	Cultural differences in work-related values (of IBM employees)	76 countries	Social science theory, Edward T. Hall	Quantitative survey Questionnaire for 116 000 IBM employees	Factor analysis	Hofstede's four/ six dimensions of culture Power distance (PDI) Individualism (IDV) Masculinity (MAS) Uncertainty avoidance (UAI) Long-term orientation Restraint/ Indulgence

Richard D. Lewis (1995)	Cultural differences focusing on values and communication	na	Edward T. Hall Geert Hofstede	Quantitative survey 150,000 online questionnaires and 50,000 executives from 68 nationalities taking residential courses	Statistical analysis and also observational	Lewis Model of three cultural categories: Linear-active Multi-active Reactive
Generations						
Wey Smola & Karen Sutton (2002)	Generational differences	na	Baby Boomers and Generation X; Definition of work values and structural framework by Dose (1997)	Quantitative research: questionnaire based on a survey 1974 n=335	Statistical analysis	Generational work values differ
Culture and international business negotiations						
Jeswald Salacuse	Cultural differences in negotiation process.	Spain France Brazil Japan	Weiss and Stripp (1985) Bird & Metcalf (2004)	Quantitative research; survey questionnaire n=310	Statistical analysis	Identification of ten tendencies that are influenced by a person's culture: (1) Negotiating goals (2) Attitudes to the process

		USA Germany UK Nigeria Argentina China Mexico India				(3) Personal styles (4) Communication style (5) Time sensitivity (6) Emotionalism (7) Agreement form (8) Agreement building (9) Team organization (10) Risk taking
Alan Bird & Lynn Metcalf (2004)	Relations between Hofstede's cultural dimensions and negotiation behaviour	Finland, Turkey, India, Mexico, USA	Hofstede's cultural dimensions: 12-dimension framework based on Weiss and Stripp (1985)	Systematic literature review	Comparative analysis	The analysis found support for ten of the twelve hypothetical relations: Goal à IDV Team Organization à UAI Time sensitivity à UAI Risk taking à UAI Agreement form à UAI Personal style à UAI Communications à IDV Emotionalism à UAI Basis of trust à UAI Individual aspiration à UAI
Generations and business negotiations						
	Hofstede's cultural	Asia	Hofstede's culture dimensions	Qualitative research; survey	Statistical analysis	Findings:

Michael Vieregge & Simon Quick (2011)	dimensions; the psychological approach to negotiations		Five-step negotiation model by Blackman (1997)	questionnaire; explorative study n=224 (n=29 Baby Boomers, n=69 GenX, n=126 GenX)		Generations do not differ significantly across the cultural dimensions. Gen X and Gen Y differ significantly from the Baby Boomers in time spent on different negotiation phases. Negotiation behaviours seems to have changed for younger generations.
Vanessa Schwartz (2019)	The impact of generations X and Y to the international business negotiation style	Pakistan, Germany, Finland	Hofstede Salacuse	Quantitative research, questionnaire n=574	Factor analysis	Significant differences between Gen Y and Gen X among the investigated countries for seven negotiation tendencies: Gen Y are more contract oriented. Gen Y lean to more Informal negotiation style. Gen Y communicate rather in an indirect way.

Table 2. Previous studies of culture, generations, and international business negotiations

1.6 Structure of the study

The first chapter of the master's thesis starts with an introduction that describes the need and the background of the study, research questions and delimitations of the study. Also, an overview of the previous studies and structure of the research paper is presented.

The second chapter includes the literature review, covering the existing theory that forms the background and guideline for the research. The third chapter is engaged with the methodology of the thesis. Data collection, sample size and sample composition are described in order to increase traceability of the study. Additionally, validity and reliability are estimated, and further explanation provided on how compliance with the concepts used in the theory is achieved.

The fourth chapter is the most important part of the research paper. It begins with the empirical examination, followed by the description, analysis, and evaluation of the findings. Furthermore, the theoretical framework that was used is connected to the actual findings. The final part of the research paper concludes with a summary of the findings, followed by managerial implications, limitations, and suggestions for future research within this field of study.

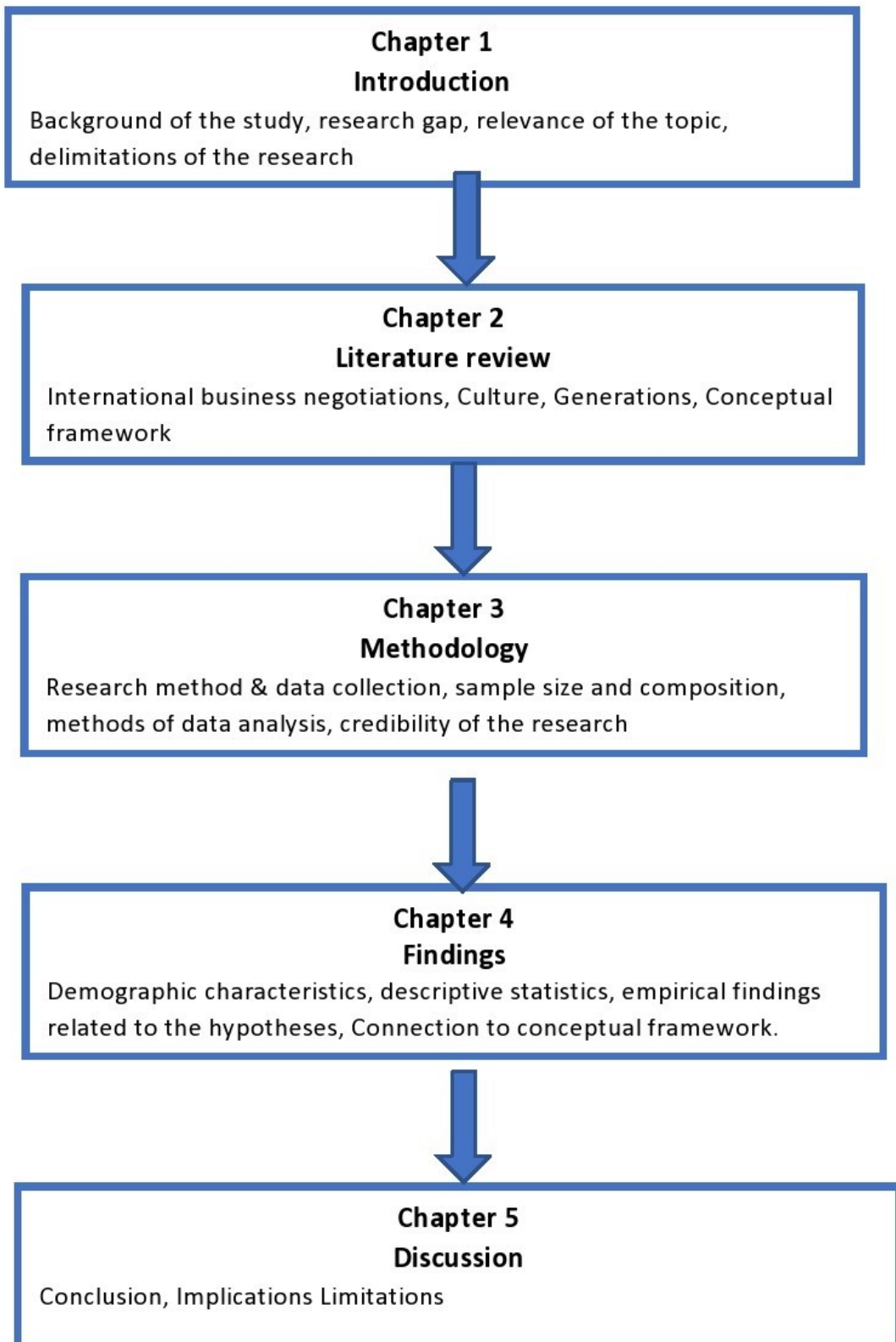


Figure 1. Structure of the study.

2 LITERATURE REVIEW

2.1 International business negotiations

Negotiations take place in our everyday life at home, at work and everywhere where we interact with others. We do not necessarily pay attention to it because the issue is not very important or valuable. In international negotiations, the setting is different. The stakes are high, and negotiations need to be planned and prepared carefully in advance. The reason why companies engage in sometimes time-consuming negotiation process is the need to get a better deal than just accepting or rejecting other party's offer. Behind in the negotiation process is the belief that both parties can benefit from their interaction. Both parties possess a value or a solution that is needed for the parties to solve their common problem. In the negotiation process, each party can modify their offers and tailor them more suitable for both parties. This will increase the possibility to close the deal. By getting close to each other, the negotiating companies can reach the outcome that benefits them both and the contract can be signed. (Ghauri & Usunier, 2003, pp. 3-4)

Negotiation where both parties involved can end up with equally beneficial or attractive outcomes is called "integrative bargaining" which refers to win-win outcome where both parties can win. One party's gain is not dependent upon the other party's concession like in the win-lose negotiations setting. The latter is also called competitive bargaining or distributive bargaining in which both parties objective is to maximize their own benefits. This quite often happens with the expense of the other party. (Ghauri & Usunier, 2003, p. 4)

Many scholars, negotiators experts, business gurus stress on focusing on win-win outcomes, a solution that satisfy both parties, by focusing on the common interest rather than fighting on the positions. (Fisher, Ury, & Patton, 1999, p. 41)

2.1.1 Definition of international business negotiation

Due to wide interest in international business negotiations, researchers have defined the international business negotiations very differently. Ghauri defines the international business negotiation as *“a voluntary process whereby two or more business parties strive to reach an agreement on issues containing some degree of difference in interest”* (Ghauri & Usunier, 2003). Moran and Harris define negotiations as *“a process in which two or more entities come together to discuss a common and conflicting interest in order to reach an agreement of mutual benefit”* (Moran & Harris, 1987, p. 55).

In this study Ghauri’s framework of international business negotiations has been chosen as a model to explain the negotiation process and the existing factors that affect the negotiations. The framework is very comprehensible and suits business negotiations in developed countries like Finland.

2.1.2 Process of international business negotiation

In Ghauri’s model of international business negotiations, three groups of variables affect the negotiations: the background factors, the atmosphere, and the process. Each of these variable groups can have positive or negative influence on negotiations. A positive influence would be that the negotiation is moving forward without delays, and the parties feel that achievement has been made. Negative influence would take the form of delays, stress and blockage. (Ghauri & Usunier, 2003, p. 5)

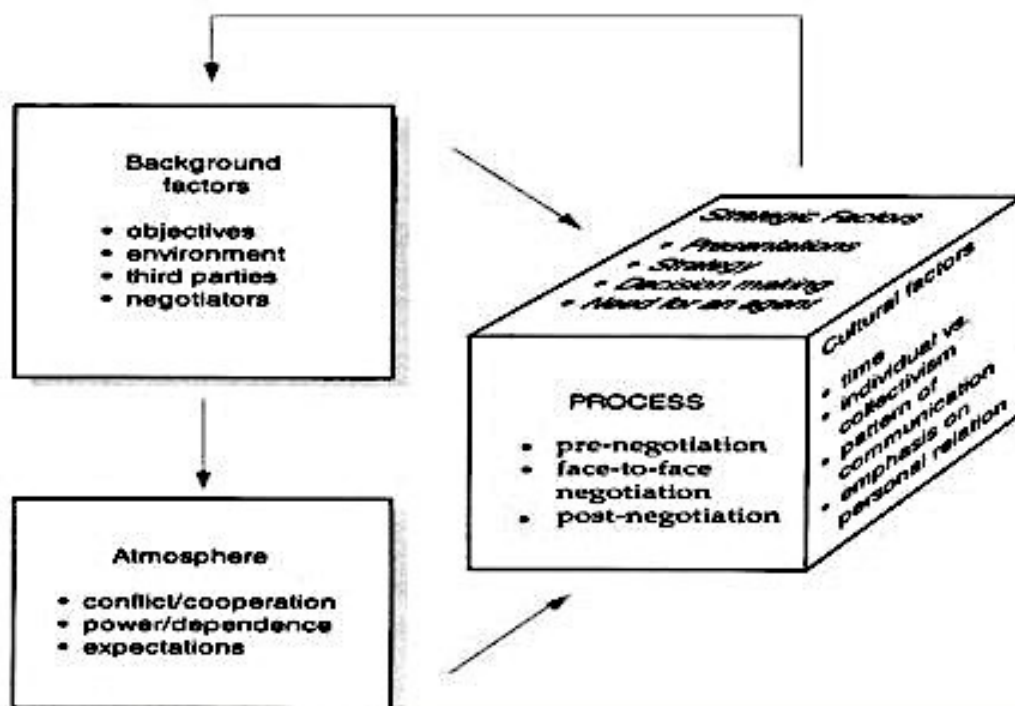


Figure 2. A framework for international business negotiations (Ghauri & Usunier 2003:9)

2.1.2.1 Background factors

Background factors influence the process of negotiations and the atmosphere. The background factors include objectives, environment, market position, third parties and negotiators (Ghauri & Usunier, 2003, p. 5).

Objectives are defined as the end stage each party desires to achieve. They are often classified as common, conflicting or complementary. Common and complementary objectives affect the negotiation process directly and positively whereas conflicting objectives have negative effects. These effects, in turn, influence the atmosphere and the outcome. Opportunity for an agreement decreases as conflicting objectives dominate the relationship; it increases as common and complementary objectives dominate. (Ghauri & Usunier, 2003, pp. 5-6)

The environment consists of political, social and structural factors relevant to both parties. Political and social aspects influence the process and market structure influences the atmosphere. Parties' market position is an important factor influencing the negotiation process. (Ghauri & Usunier, 2003, p. 6)

Third parties like governments, agents, consultants and subcontractors are often involved in the negotiation process. Governments may have different objectives like infrastructure, employment opportunities, foreign exchange considerations etc. Also, the negotiators own experience and negotiation skills play a role. In general, the good negotiator has the ability to make others understand his position and appreciates the other's position. Moreover, good negotiators have the ability to approach strangers with ease and confident way. (Ghauri & Usunier, 2003, p. 6)

Successful negotiators are those who keep on focusing on the negotiations set by the firm and the also by the negotiators themselves. The main goal of any negotiation is the win-win outcomes., a solution that satisfy both parties, by focusing on the common interest rather than fighting on the positions. (Fisher, Ury, & Patton, 1999, p. 41)

2.1.2.2 Atmosphere

The atmosphere, "milieu", means the relationship created between the parties and it has a fundamental importance to the process as a whole. Different characteristics of the atmosphere dominate from process to process, and they are conflict/cooperation, power/dependence and expectations. (Ghauri & Usunier, 2003, p. 7)

Despite the common interest to find a common solution to a problem there is always conflict and cooperation existing fundamentally in all the negotiation processes. The degree of conflict or cooperation in different stages of the negotiation process and the

atmosphere depends on the issues and the conflict-solving styles of the parties. (Ghauri & Usunier, 2003, p. 7)

Another basic characteristic of all negotiation processes is the power/dependence relation. The ability to control the process is related to parties' power, expertise, and access to information. The long-term expectations regarding the future business and short-term expectations for the present deal also affect to the atmosphere. (Ghauri & Usunier, 2003, p. 7). In addition, research studies in international business showed that different cultures have different ways when dealing with information collection and information exchange (Adair, Weingart, & Brett, 2007).

2.1.2.3 Process

Ghauri divides the international negotiation process in three stages: pre-negotiations, face-to-face negotiations and post-negotiations. In each stage, parties communicate and change information. After each stage, the parties need to consider whether it is worth continuing the process or should it be abandoned. (Ghauri & Usunier, 2003, p. 8)

Pre-negotiations stage begins with the first contact where the interest of doing business together is expressed. Some negotiations take place and tentative offers are made. In this stage, parties collect maximum information and try to understand one's needs. They also evaluate the benefits of entering into the process of negotiation. The main issue here is to define jointly the problem to be solved and increase the trust and confidence between the parties. (Ghauri & Usunier, 2003, pp. 8-10)

Based on information, a party can create its strategy and options. In this stage, negotiators prepare with a list of options and alternatives as backup plan, or what is called as BATNA (best alternatives to be negotiated agreement). Preparation is considered one of the important phases of negotiations. In research done by Ursula Ott et al., the preparation is emphasized in their definition of negotiations outcome: *"The*

negotiation outcome is a function of preparation, information exchange, in combination with creativity, persuasion, and overcoming deadlocks “ (Ott,Prowse,Fells,& Rogers, 2016). It is important to mention that the three negotiation stages are chronologically ordered and the move from one step to another is only possible when both parties agree to continue the process.

The second stage, face-to-face negotiations happen when the parties believe that they can work together to solve the problem. They meet physically and evaluate the alternatives presented by the other party. The goal is to negotiate the contract, and discuss the conflicts and common interests. The main issue is to explore the differences in preferences and expectations and to get closer to each other. (Ghauri & Usunier, 2003, p. 11)

In case of differences in objectives, negotiators style conflict may occur. Conflict in general have a negative connotation, but it is not always the case. Studies showed that dealing with conflicts is an opportunity to foster and build trust, resolving it together will lead to a better relationships (Wong, Wei, & Tjosvold, 2011).

In the face-to-face negotiations stage, it is crucial to pay attention to the negotiator's body language, especially communication through body posture, gestures, eye contact, smile, facial expression, voice intonation, and the distance between the negotiators. These non-verbal signs can reveal many valuable information that the negotiator could take advantages of it if read properly (Lewicki & Wiethoff, 2005).

In the third stage, the Post-Negotiation, the terms of the contract are decided and agreed upon. Enough attention should be paid to smallest details of the contract, the language and writing in order to avoid misunderstandings. (Ghauri & Usunier, 2003, pp. 12-13). Even though the contract represents the deal on itself, the experience shows that it is hardly used to dispute resolution (Roxenhall & Ghauri, 2004).

During all the three stages mentioned above, process is also affected by two other factors: strategic and cultural factors. Strategic factors include presentation, strategy, decision making, and need for an agent. Cultural factors include time, individualism vs collectivism, pattern of communication and emphasis on personal relation. (Ghauri & Usunier, 2003, pp. 13-15)

Cultural factors

Time is seen in a different light in Eastern and Western countries. For profit-orientated societies like Americans, time is precious like money. If decisions or actions are prolonged, time and money is wasted. Richard Lewis calls them Linear-actives — those who plan, schedule, organize, pursue action chains, do one thing at a time. Germans and Swiss are also in this group. (Lewis, 2006)

Multi-actives, like Arabs, Italians and Latin Americans do many things at the same time and their priorities are not set by the calendar. Punctuality is not so important for multi-actives than it is for Linear-actives for whom being late from a meeting is disrespectful. Multi-actives ignore the passing of time if the conversation is not finished. (Lewis, 2006)

Thirdly, there are Reactives — those cultures that prioritize courtesy and respect, listening quietly and calmly to their interlocutors and reacting carefully to the other side's proposals. Chinese, Japanese and Finns are in this group. (Lewis, 2006)

For negotiators, it is important to have advance information on the opposite party's behaviour regarding time. This will help them to plan their time as well as to have patience and not to get irritated during the process (Ghauri & Usunier, 2003, p. 13).

Individual vs. Collective behaviour is one of the six dimensions that Geert Hofstede developed in his study of Hofstede's Cultural Dimensions (Hofstede, 2005, pp. 74-76). His theoretical framework has been used to understand the differences in culture across

countries and to find out the differences in ways that business is done in different cultures. Knowing whether the opposite party is looking for a collective solution or an individual benefit will help in formulation of arguments and presentations. (Ghauri & Usunier, 2003, p. 13)

Pattern of communication

In regards to cross-cultural communication, the concept of high-context versus low-context culture is very helpful to overcome communication barriers. The concept traces its roots to the work of Edward Hall. (Hall, 1976, pp. 68-69). In high-context communication, only a part of message can be understood from the verbally expressed words. Non-verbal communication contains a big part of the message. In low-context culture on the other hand, words are expected to express accurately what is meant. Being able to read between the lines and especially the non-verbal communication can determine the negotiation process success. Getting knowledge and gaining cross-cultural competence concerning communication patterns helps to avoid misunderstandings.

Emphasis on personal relations

The importance of the personal relationship when doing business differs between the cultures. The personality of the negotiator is more important than the organisation in many parts of the world. The westerners usually keep the focus in the issue at hand and the prospects for their company rather than the person negotiating with them. Trust is built more at the inter-personal rather than at inter-organizational level (Mouzas, Henneberg, & Naude, 2007).

Study of international joint ventures showed that trust is a key factor influencing the performance and commitment (Mouzas, Henneberg, & Naude, 2007). Part of the trust is developed through direct personal interaction. When the bonding increases between

the parties and becomes friends, the emotional commitments become the main source of trust. (Boersma, Buckley, & Ghauri, 2003)

Strategic factors

Again, planning the presentation in advance is a success factor. Negotiators have to know whether the presentations to be made are carried out in a formal or informal setting. Whether these are to be made to teams, as in China and Eastern Europe, or to individuals, as in India and the Middle East. The formal vs. informal presentation style is very distinct in many countries. If not prepared, the negotiators can make serious blunders at an early stage of negotiations. (Ghauri & Usunier, 2003, p. 14)

Strategy in negotiations can be tough, soft or intermediate. The successful strategist has a counter-offer ready and he adapts his strategy on the way to the other party's strategic moves. Also, the decision-making pattern is one of those strategic issues that needs to be planned in advance. The final decision is not necessarily in the hands of those who attend to the negotiations. It is not always wise to enter to the negotiations without an agent and his expertise especially if the party and market are not known. (Ghauri & Usunier, 2003, pp. 14-15)

Planning and Managing Negotiations

The features of a good negotiator and a successful business negotiation process can be described in a following way : Start with the attitude and ethics that a good deal is a good deal for all the parties and it is possible to create a win-win outcome for all. Preparation and planning are necessary in every stage of the negotiation process but more essential at the pre-negotiation stage when gathering information about competitors, market positions, financial reports etc. Focus on the issues and the objectives despite of the fact that conflicts and stress always occur. Try to see through the lense of the other party. Being a good listener is also a key factor in the negotiations process. Understanding the

other party's culture helps to understand his views and expectations concerning the deal. It allows an open and healthy discussion about problems where questions and answers are generated and finally agreement reached. Invent options and alternatives for mutual gain to help produce agreement. (Fisher, Ury, & Patton, 1999, p. 73)

Good negotiators have backup plans and alternatives to offer. Remember that all the deals are not worth closing. No deal is sometimes better than a deal that may create problems in the future and perhaps a loss of credibility and money.

Though, Ghauri's framework identifies stages of international business negotiation process and some factors impacting this process, but framework is general and does not comprehensively cover all elements of international business negotiations. For that reason, the work of Jeswald Salacuse is added to this study.

2.1.3 Elements of international business negotiations

Jeswald W. Salacuse, a recognized scholar on international business negotiations, identified elements which are common to all international business negotiations and distinguished international business negotiations from domestic negotiations. Salacuse's work was based on the research of Weiss and Stripp (1998). Originally Weiss and Stripp studied the behaviour of the negotiators and how it was connected to their cultural background. The business and law professor Salacuse made some modifications to this framework to improve it. The result of his work was 10 negotiation tendencies. In his research paper, "Ten Ways that Culture Affects Negotiating Style" Salacuse asked 310 managers from different countries (Americans, Germans, French, Spanish, Turkish, Chinese) to assess their negotiations style in relation with ten negotiations factors; goal-oriented, attitudes, personal styles, communications, time sensitivity, emotionalism, agreement form, agreement building, team organization and risk taking. (Salacuse, 1998)

The findings were that culture affects business negotiations. Salacuse found that persons with identical culture tend to behave in a quite same way. However, when compared to

other nationalities and cultures, there is a significant difference in behaviours. Also, findings show that occupational background and gender affect negotiations style. In following ten-dimension mentioned earlier are explained in detail and also how they are partly connected to Hofstede's cultural dimensions.

Negotiation goal

This element deals with the intention of the negotiation. Is the goal to inspire relationship building or is the goal only to sign a contract. Depending on the cultural background, different cultures can adopt distinct approaches to this element. In Hofstede's dimensions, this element would correlate with individualism – collectivism - dimension. The findings show that the negotiators from the individualistic culture aim more to the getting the contract signed than to the relationship building. On the contrary, the negotiators from the collectivistic society aim to build (long-term) relationship with the other party (Bird & Metcalf, 2004). In fact, for the Chinese negotiators the purpose of business negotiation is to build relationship, while Americans' aim in business negotiation is the contract itself (Salacuse, 1998).

Attitudes

Negotiation attitudes is about negotiation strategy, whether the negotiator takes an integrative approach (Win/Win) or a distributive approach (Win/Lose). In the Win/Win strategy, the negotiator seeks a problem-solving approach, where he or she promotes collaboration through honest communication and both parties concede, compromise and gain equally from the agreement. However, in Win/Lose attitude one of the negotiating parties is only concerned about his own interests and tries to maximize his benefit. In Hofstede's dimensions, the attitude would express the masculinity – femininity dimension. Research supports that the culture with high masculinity produces Win/Lose negotiations while the high femininity culture favours Win/Win results (Bird & Metcalf, 2004).

Personal styles

The style and atmosphere of negotiations can be formal or informal. In formal atmosphere titles are important as well as dressing. The negotiators avoid personal issues and first names when talking to others. Informal atmosphere allows more flexible behaviour among the participants. They talk to the others in a personal level in order to form a friendly relationship. High score in Hofstede's uncertainty avoidance dimension correlates with formal behaviour. In their minds, formality reduces the uncertain element in the situation (Bird & Metcalf, 2004). Uncertainty avoidance corresponds also with several other Salacuse's elements, Time sensitivity and Emotionalism.

Communication

Communication can be verbal or non-verbal, direct or indirect. Non-verbal communication like body language, hand gestures, facial expressions and eye-contact can have very different meaning in different cultures and genders. Non-verbal communication can support or even replace the verbal communication, but it can also form a barrier between negotiators. Direct communicators express their needs and terms explicitly. They also understand others from the perspective of words spoken. They value precise, short direct answers and expect and respect honesty and frankness. They do not look for hidden meanings behind the words. Indirect communicators keep their true intension hidden and are rather polite than truthful (House, Quigely, & de Luque, 2010). The different communication styles can cause misunderstandings. Direct communication style can surprise or offend the receiver even though it causes less misunderstandings. Indirect expressions can be seen as insincere. The western culture prefers direct communication while Asians and Africans are more indirect. Also, research has connected Hofstede's individualism dimension that scores high in Western countries to direct communication style (Bird & Metcalf, 2004).

Time sensitivity

The attitude towards time differs significantly in different cultures. High sensitivity to time means “time is money”, it is valuable, it’s use should be carefully planned, and it should not be wasted. Low sensitivity to time explains the attitude where time invested in building a business relationship is never wasted and good things only come with time. It is crucial to find out the other party’s time sensitivity beforehand. Normal effectiveness can be perceived as suspicious haste to close the deal before the unpleasant truth comes up. Hofstede’s uncertainty avoidance dimension scores high together with high time sensitivity (Bird & Metcalf, 2004).

Emotionalism

Salacuse refers with emotionalism the degree how much the negotiators show emotions during the process. Metcalf and Bird understand emotionalism also how much the negotiators build their arguments on emotional persuasion and their emotions affect their decision-making. Less emotional negotiators usually offer more facts to support their opinion and they expect that from others, too. The connection with Hofstede dimensions is that emotionalism scores high with uncertainty avoidance (Bird & Metcalf, 2004). It is still considered by many scholars that the study of emotionalism in the field of negotiation is still at the inception stage. (Luomala, Kumar, Singh, & Jaakkola, 2015)

Agreement form

Agreement form can be specific and detailed or general, broad and less rigid. When negotiating details of a contract it is good to keep in mind also the importance of trust in a business relationship. If one party tries to protect himself from all the possible breaches of the contract by inserting endlessly detailed contract terms concerning small issues, he risks damaging the trust between the contracting parties. It implicates that basically there is no trust and confidence to the relationship between the parties. Those

cultures that score high in uncertainty avoidance dimension also aim for detailed and specific contract clauses (Bird & Metcalf, 2004).

Agreement building

Negotiating a business deal can be a deductive or inductive process. These are the two poles of the agreement building element. In a deductive approach the negotiator goes from top to down. General principles are agreed and then those form the framework for the whole agreement. Negotiations will proceed with details like price, product quality and delivery date after the general principles have been decided. The inductive process starts from bottom to up. The details are agreed first and one-by-one the long list of terms will be agreed on. Then the contract is ready for signatures (Salacuse, 2003). In their study Bird and Metcalf did not find any connection between Hofstede's dimensions and agreement building.

Team organization

The cultural differences can be noticed also in a way how negotiation teams are organized. Some cultures like Chinese and Japanese rely on consensus decision making and teamwork when negotiating. In an American team there can be one supreme leader who has all the power to make decisions. Even the number of the members in the negotiating group depends on the cultural background. Chinese can appear in a large group while the westerners come in group which is half smaller. Between the internal decision-making process and Hofstede's uncertainty avoidance dimension is a significant connection. Cultures with a high uncertainty avoidance are more likely to adopt an internal team organization that requires the group consensus before decisions are made . (Bird & Metcalf, 2004)

Risk taking

The last but not least negotiating element is risk taking. Research supports the findings that some cultures are more risk averse than others. (Salacuse, 2003). Those who have high tolerance for risks accept the fact that risk is part of the business and cannot be completely avoided. Negotiators with low risk tolerance do not uncover sensitive information and they try to avoid uncertainties. It is not surprising that in Hofstede's dimension risk taking corresponds with uncertainty avoidance. Low risk-taking means high uncertainty avoidance (Bird & Metcalf, 2004).

In the following, figure 3 presents the Salacuse's negotiation tendencies alongside with their relation to Hofstede's dimension.

Negotiation Factors	Range of cultural responses	Relation to Hofstede's dimensions
Goal	Contract « Relationship	IDV
Attitudes	Win/Lose « Win/Win	MAS
Personal styles	Informal « Formal	UAI
Communication	Direct « Indirect	IDV
Time sensitivity	High « Low	UAI
Emotionalism	High « Low	UAI
Agreement form	Specific « General	UAI
Agreement building	Bottom up « Top Down	(UAI)
Team organization	One Leader « Consensus	UAI
Risk taking	High « Low	UAI

Figure 3. The impact of culture on negotiations (based on Salacuse 1998:223; Schwartz, 2019).

2.2 Culture and main cultural frameworks

2.2.1 Conceptualization of culture

According to psychologist Geert Hofstede, culture is “the collective programming of the mind that distinguishes the members of one group or a category of people from others”. Culture shapes our life, but we are unconscious of its existence, and it makes us who we are. The acquired behaviours and values during the childhood will stay forever, the social environment also has a significant importance on culture. (Hofstede, 2005)

In the GLOBE research project, culture is defined as “shared motives, values, beliefs, identities, and interpretations or meaning of significant events that result from common experiences of members of collectives and are transmitted across age generations” (House, Javidan, Hanges, & Dorfman, 2002). The contributors for national culture are family, religion, education, mass communication, organizations (Browaeys & Price, 2019).

Hofstede’s cultural dimension framework is chosen to one of the cornerstones of this thesis because his work and contribution is widely recognized, cited and applied. Finnish culture is presented in the light of Hofstede’s cultural dimension for deeper understanding. In addition, Richard D. Lewis’s Cultural Types Model will also contribute for the thesis. That model brings more details and enhances the knowledge about the Finnish culture.

2.2.2 Hofstede Cultural framework

Psychologist Geert Hofstede developed the so-called Onion Model to enable to understand culture.

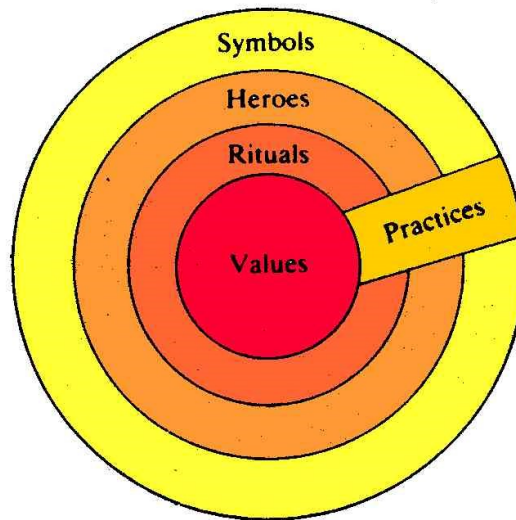


Figure 4. Hofstede's culture model (Onion Model)

According to Hofstede, culture is formed by layers, and he compares culture to an onion. The core of the onion are the values, invisible - but existing- they define what is right and what is wrong. The core values of any culture are learned in the early development, transferred by the parents in the childhood without us realizing them. The values can be seen through the behaviour of an individual.

The rituals layer carries on the traditions and manners. Rituals are the actions and the comportment that are important because they indicate which culture group the person belongs to. The heroes' layer represents the beloved and appreciated personality type that can be real or imaginary. Heroes are the models of behaviour inside a culture group. Symbols are words, gestures, pictures, or objects that have a certain meaning for those who share the same culture, and they are only recognized by them.

2.2.2.1 Hofstede cultural dimensions

Hofstede Cultural Dimensions Model is based on his large survey in 1970 within the IBM organization in 56 countries. More than 1000 interviews were done from various angles. The cultural dimensions were identified for 76 countries and each one of them has a

scale from 1 to 100 for each of the five dimensions which are set out in a structural model using versus construction.

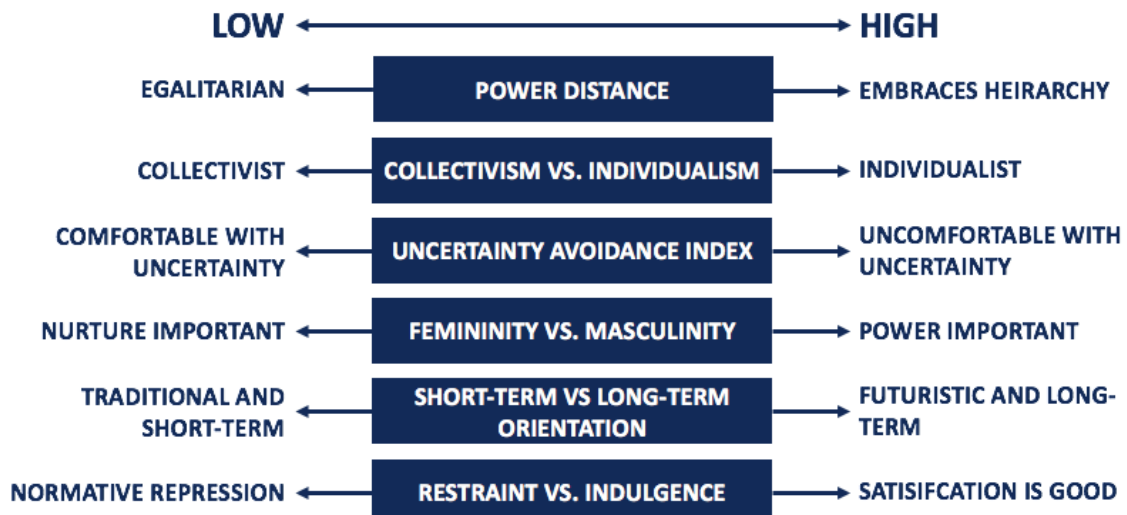


Figure 5. Cultural dimensions by Hofstede

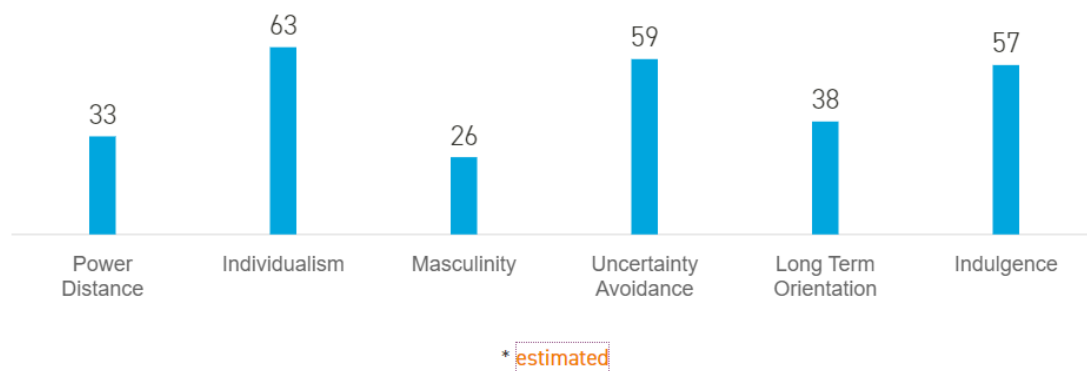
Power distance

This dimension deals with the fact that individuals in the society are not equal. The dimension is the extent to which members of the society expect and accept the unequal power distribution. The inequality that exists in organizations and institutions as well as in the families is accepted by both groups, some with and others without power. Finland scores middle at this dimension (33/100, Figure 6). Finns strongly believe in equality between citizens and the economic gab between the poor and the wealthy is not very wide.

In organizations the key differences between low and high-power distance countries are related to hierarchy and decision-making power. In low power distance countries like Finland the organisation is flat, the power is decentralized and the tasks among the staff are divided for convenience. In high power distance organization, the power is

centralized and the whole organization reflects the existing inequality. Also, in the high-power distance organizations there are more supervisors who report to the higher level and more supervisory personnel in general.

In Finland, the range of salaries is not very wide but in high power distance countries the salary range inside an organisation can be wide between the top and the operating level staff. In the decision-making context this results in Finland to self-leadership. Managers and their subordinates rely on their own expertise and take responsibility for their actions. Initiative is positively welcomed and appreciated. In high power distance organizations even, the managers rely on their superiors to make the final decision. (Hofstede, 2005, p. 59)



Finland

Figure 6. Finland Hofstede dimension (Hofstede-insights ,n.d).

Collectivism and individualism

This dimension deals with the degree of interdependence in the society and how deeply people are integrated into groups. A high score in an individualism means that the interpersonal ties and connections are loose, and people value their time and freedom highly. The society sees people mainly as individuals looking after themselves. In a society that scores low on individualism dimension exists more collectivism. People are seen as members of a tight community. The self-image of a person is expressed by the group he belongs to (we) instead of himself (I). Finland scores high in individualism (66/100) leaving majority of the countries in Hofstede's study behind. Personal achievements and individual rights are important, and everybody has a right to express his opinion when doing group work.

Employees in individualist countries change the job easily and they serve the employer as long as it serves their own interest. The relationship is an economic contract between the organization and the worker. In collectivist countries the relationship is more based on moral, and the bond is emotional attachment. The feedback concerning the work performance is more direct and honest in individualistic countries. In collectivist culture they cherish the harmony in the organization and feedback is indirect. (Hofstede, 2005, p. 104)

Uncertainty avoidance

This dimension deals with the fact that the future is unknown and non-predictable. "Uncertainty avoidance can therefore be defined as the extent to which the members of a culture feel threatened by ambiguous or unknown situations" (Hofstede, 2005, p. 167). Highly uncertainty avoidant cultures are characterized by a strong need for predictability and control over the environment. They create rules, laws and instructions also controlling the rights and duties of employers and employees to avoid the uncertainty. The need for this is emotional because people feel themselves more comfortable in structural environments. Uncertainty is a subjective experience, but it can also be partly shared with other members of one's society. How to cope with uncertainty is culturally

inherited and learned. Also, religion has a part in it. It helps followers to accept the uncertain things, that a person is unable to change or defend himself from. The collectively held values of one society can be incomprehensible for the members of another society. Uncertainty avoidance differs from risk avoidance because the anxiety caused by uncertainty has no object. Risk is something specific. (Hofstede, 2005)

In uncertainty avoidance dimension Finland scores medium (59/100) which is somewhere in between USA (46/100) and Germany (65/100). People in Finland work hard when necessary, but they don't need to feel active and busy all the time. Instead, they like to relax and don't watch the time constantly. In organisations they believe in expertise and specialists but there is also space for general workers. Finns also change the jobs and don't necessarily serve long in the same workplace. Rules should exist only if they are needed. Entrepreneurship is not very common even though they are relatively free from rules. Religious views are tolerated, and Finns widely accept the existence of different religious views as a fact of life. As supporters of human rights Finns widely accept the freedom of religion and nobody should be persecuted for his or her beliefs.

Femininity and masculinity

The masculinity dimension indicates that the society is driven by the competition, achievements and the success. Material things that symbolize the wealth are desired. Femininity dimension means that the society appreciates more quality of life and aims towards the solidarity and society where all members care for each other. Finland scores 26/100 and is considered as a feminine society. Finns value quality in their working lives and balance between the work and leisure time is important because people want to enjoy life. Quality of life is a sign of success. In feminine society the jobs are divided equally between men and women. When recruiting the skills and competences of the applicants are more important than gender. (Hofstede, 2005, p. 142-147)

Short term and long-term orientation

Hofstede added this fifth dimension to his original four to distinguish the difference in thinking between the East and West. The dimension deals how the society is linked to the past, its tradition and customs. It is defined as follows: “long-term orientation stands for the fostering of virtues oriented toward future rewards — in particular, perseverance and thrift. Its opposite pole, short-term orientation, stands for the fostering of virtues related to the past and present — in particular, respect for tradition, preservation of “face,” and fulfilling social obligations” (Hofstede, 2005, p. 210).

With a low score (38/100) Finnish culture can be classified as normative. People are normative in their thinking. They respect for their traditions, but they have a relatively small national tendency to save for the future. They aim to achieve results quickly (hofstede-insights, n.d.)

Restraint and indulgence

This dimension deals with the extent to which the members of the society try to control their desires and impulses. High score indicates indulgence which means weak control of the desires. Finland scores 57/100, relatively high which exhibit a willingness to realise their impulses and desires and want to enjoy life and have fun. Hofstede defines indulgence as it “stands for a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun. Its opposite pole, restraint reflects a conviction that such gratification needs to be curbed and regulated by strict social norms”. (Hofstede, 2005, p. 210)

People in indulgence societies give value to their leisure time and friends, they want to act as they please and spend money as they wish. It makes them happy. On the contrary, a person whose actions are restrained by strong social norms and pressures would not feel happy about the same activities that give pleasure for someone from an indulgent

society. He could even feel guilty of spending money and just having a good time. The high indulgence is common in the short-term orientation culture. (hofstede-insights, n.d.)

2.2.3 Richard D. Lewis Cultural Model

English linguistic Richard D. Lewis developed his Model of Cross-Cultural Communication in which he divides cultures in three categories: linear-active, multi-active and reactive culture. The Model is based on an online survey with 75 000 answers from different nationalities. Lewis survey was collected from wider sample than Hofstede's IBM study. In his book "When cultures collide" (2006) Lewis describes linear-active people as task-orientated, highly organized planners. Multi-active are people-orientated, loquacious inter-relators and reactive are introverted, respect-orientated listeners. The Finns Lewis places to reactive category together with Japanese.

The Lewis model is chosen to this thesis because it focuses on values and communication and how they affect to behaviour, particularly in working life. Moreover, Richard Lewis has lived in Finland many years and written a book "Finland, cultural lone wolf" about Finnish culture. His expertise about Finnish culture is undeniable.

Linear-active culture: Linear-active people, like Swedes, Swiss, Dutch and Germans think that they are more efficient and get more done when they do one thing at a time, concentrate hard on it and stay in scheduled time (Lewis, 2006, p. 30). The people in this category give high importance to the effective use of time both at work and private life. Business is conducted by plans, life activities are organized by schedules and the communication between the members is direct. Good example of linear-active people are Germans.

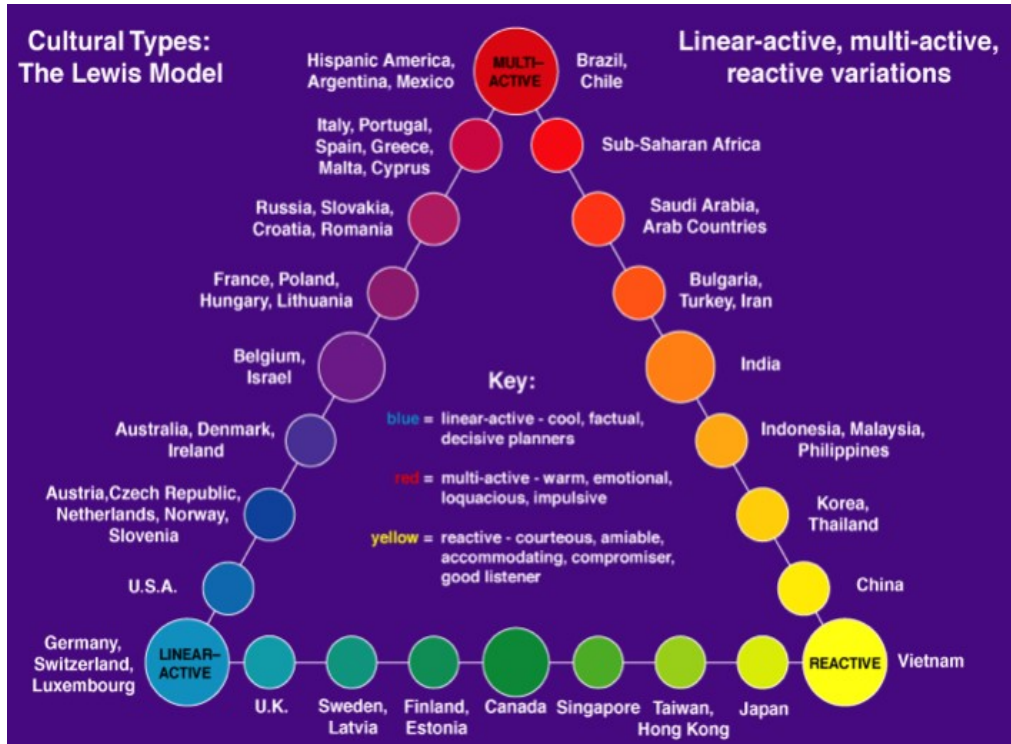


Figure 7. Richard D. Lewis Cultural Type Model

Multi-active culture: Multi-active people are full of energy, impulsive, talkative and emotional. They take care of many things at the same time. They also believe that they are more effective and get more done in this way. Punctuality is not very important, and they rather complete conversation with one person even if it makes them late from the next appointment. Human transactions are important to multi-active people. The Spanish, Italians and Arabs belong to this group.

Reactive culture: The people under this category, typically in the Asian cultures and in Europe, Finns, are listeners. Reactive people listen first and react afterwards. Small talk is not their strength. They are polite, calm and don't interrupt during the discussion or on-going presentation. They avoid confrontation and silence for them is not uncomfortable. Silence is meaningful. However, when reacting, Finns have linear-active tendencies. They answer quickly to written communication and process-orientated and

brief on the telephone. (Lewis, 2005, p.70). From Lewis Model we can see that Japanese as reactive people are far from the linear-active Germans. In the table 3 the most common traits of linear-active, multi-active and reactive cultures are listed.

Linear-Active	Multi-Active	Reactive
<p>introvert, patient, quiet, mind own business, likes privacy, plans ahead methodically, does one thing at a time, work fixed hours, punctual, dominate by timetables and schedules, compartmentalises projects., stick to plans, stick to facts, get information from statistic, reference books, data base, internet, job oriented, unemotional, works within department, follows correct procedure, accept favours reluctantly, delegates to competent colleagues, completes action chain, likes fixed agendas, brief on telephone, uses memoranda, respect officialdom. Dislikes losing faces, confront with logic, limited body language, rarely interrupt, separates social/professional.</p>	<p>extrovert, impatient, talkative, inquisitive, gregarious, plans grand outline only, does several things at one, works any hours, not punctual, timetable unpredictable, lets one project influence another, changes plans. Juggle facts, get first-hand (oral) information, people-oriented, emotional, gets around all department, pull strings, seeks favours, delegates to relations, completes, human transactions, interrelates everything, talks for hours, rarely writes memos, seeks out key persons, has ready excuses, confront emotionally, unrestricted body language, interrupts frequently. Interweaves social/professional.</p>	<p>introvert, patient, silent, respectful. Good listener, looks at general principles, react, flexible hours, punctual, react to partner's timetable, sees whole picture, makes slight changes, statements are promises, use both first-hand and research information, people-oriented, quietly caring, considers all departments, networks, protects face of other, delegates to reliable people, react to partner, thoughtful, summarizes well., plans slowly, ultra-honest, must not lose face, avoids confrontation, subtle body language. Does not interrupt, connect social and professional.</p>

Table 3. Common traits of Linear-Active, Multi-Active, and Reactive categories (Lewis, 2006)

2.2.4 Cultural profile of Finland

Finland is located in northern Europe, but it is not Scandinavian country. The culture differs from Sweden, Norway and Denmark. The standard of living is high, and the society is democratic and egalitarian. The population is educated, and most businesspeople speak English. Finns are technology- and innovation-oriented and they value sustainability, basic and civil rights as well as rule of law (Lewis, 2006, p. 330-335).

Finns are known for their sauna, love for Finland's clean nature, lakes and forests. They are hardworking, resilient, modest people grown up in hard climate conditions. Foreigners find them typically serious, silent, partly reserved and shy but reliable and trustworthy people. Rather than collective society Finns are more individualistic. They look after their immediate family, but it is the role of the state to arrange social services for those who need help.

Lewis describes Finns as calm, unflappable, inventive, reliable, good with facts and figures, good at planning and implementation. They listen well and modify stance, use scientific truth, cut through hypocrisy and wasting time and summarize well. (Lewis, 2006, p. 136)

Finns speak softly and can have long pauses in the middle of a conversation when thinking or formulating their thoughts. Finns think is silence. (Lewis, 2006, p. 36). However, interrupting is considered rude, and confrontation is mostly avoided in order to preserve the harmony.

In the figure 8 is described the Finnish communication pattern. Right in the beginning Finnish way of using words is minimal. They aim to be short and precise and don't repeat themselves. If there is a misunderstanding and the presentation needs more clarifying Finns tend to make it even shorter and make a summary about the important facts and

issues. In high-context cultural society like in Italy, Spain and Arab countries more words are used to explain things and if not understood they explain the issue again even more extra words.



Figure 8. Finnish national communication patterns (Lewis, 1996)

Finns do not use as much body language and other non-verbal communications as in most cultures around the world. Therefore, one needs to listen carefully and patiently when Finns talk. Themselves Finns are good listeners. (Lewis, 2006, p. 69)

In business negotiations Finns prefer formal behaviour even though they do not much care about academic or business titles. Emotions are not shown in the public and all the emotional tactics in negotiations should be avoided with Finns. Finns do not spend time to the small talk. Instead, they get right to the business. In negotiations they like to rely on facts and figures, and they aim to a fair win-win agreement with honest and straightforward style.

For Finns, the negotiation process is a joint problem-solving achievement among equal partners and Finnish style is cooperative. Finns are also high-trust society, and they have high trust for the compatriots right in the beginning (Lewis, 2006, p. 144). They share information to build the trust and they expect the same from their partners. All the pressure tactics, aggressive sales techniques and information hiding efforts are considered inappropriate and only result damaging the negotiations (Katz, 2006, p. 4).

Finns dislike bureaucracy and micro-management. They want to be efficient and do things properly at the same time. Towards time they are punctual. The meetings have schedules which are followed. To speed up the negotiations the Finns can give their final offer at the early stage of the negotiations. They would like to proceed in a monochronic way, and they like to concentrate on one issue at the time then move to the next and agree the questions one-by-one. Finns dislike the approach that everything is open until everything is agreed.

Leadership style in Finland goes with low profile, the authoritarianism is in balance with consultive approach in organizations (Lewis, 2006, p. 332). The style is team leadership. Finnish leaders delegate, seek talents, develop colleagues and create mission. (Lewis, 2005, p. 93). Because of the flat organization management and low power distance culture the decision-making is shared among the Finnish negotiation team members. Everybody is responsible from his own expertise sector but still the group opinion is valued and support from the group is desired. (Lewis, 2006 p. 46; Katz, 2007, p. 4).

2.3 Generations

2.3.1 Conceptualization of generations

The generations have been studied in the social sciences from two different perspectives : (1) the social forces perspective that sees people as social groups, and (2) cohort perspective that views generations as collection of people born at the same time period. (Joshi, Aparna, Dencker, & Franz, 2011). The pioneer of generation studies, German sociologist Karl Mannheim saw a generation as a group of people of the same

age in a similar social location experiencing similar social events. These events and context a generation experiences shapes their way of seeing life and the world, the result of important events of that time is called *distinct consciousness*.

Thus, in their research work concerning «Collective memories», Schuman and Rodgers confirmed Mannheim's theory. The impact of critical and important events on person in his formative years form the background for future behaviors and attitudes. For example, a person that endured and lived through an economic recession during his formative years, will develop a set of behaviors regarding financing and savings. (Schuman & Rodgers, 2004)

The cohort perspective views generations simply as collections of people born in a given time period. (Gilleard, 2004; Laufer & Bengtson, 1974). According to McCrindle « today generations are defined sociologically rather than biologically. A generation refers to a cohort of people born within a similar span of time (15 years at the upper 2 | The A) who share a comparable age and life stage and who were shaped by a particular span of time (events, trends and developments » (McCrindle, 2009). Also, Kupperschmidt defines a generation as an identifiable group, which shares years of birth and hence significant life events at critical stages of development (Kupperschmidt, 2000).

This study approaches generations from the cohort perspective because it is widely used in management issues (poor communication, conflicts resolution, motivation, recruiting and retaining, workplace diversity, team collaboration etc.). Especially it is important in intergenerational management where organizations seek to establish a healthy and productive working atmosphere for all generations in order for the organization to excel by empowering all generations to the goal. (Müller & Neck, 2010). Generation cohort perspective is also extensively used in marketing, for instance in customer segmentation and customers behaviours. It is also the best way to organise the data collection through survey and analysing the results.

2.3.2 Types of generations

Despite the fact that there is no collective agreement about when each generation start and ends respectively among demographics, researchers and practitioners. However, they do agree on their labelling. At the present time, six different generations are: The Federation Generation (born 1901 – 1924), The Silent Generation (born 1925 – 1945), The Baby Boomers (born 1946 – 1964), Generation X (born 1965 – 1979), Generation Y (born 1980 – 1994) and Generation Z (born from 1995) (McCrindle, 2009, pp. 6-7). In the next chapters will be discussed the generations this thesis focuses on, the generations X, Y and Z.

2.3.2.1 Generation Z (1995-2009) (25-11)

Generation Z, iGEN, generations, Generation connected, whatever the name has been given to this generation, for sure they are special with unique characteristics. Born from 1995 to 2009 with fifteen years of generational span (McCrindle, 2009). First of all, they are born and grown in globalised world with fast development of technology. These factors allowed and are still affecting on how the Generation Z is behaving and connecting (McCrindle, 2009). Again, due to globalization and technology, members of the generation Z universally show the same behavior pattern due to their exposition to the same trends (McCrindle, 2009).

Secondly, Generation Z is well educated with high achievements in their early ages. They are tech savvy and their use of technology is not limited to studies, workplace or daily life. Instead, it can be described as a life style (Parker & Igielink, 2020). Research studies have showed that Generation Z consume tremendous hours of digital media. They spend daily hours watching videos, especially Youtube which is their most preferred platform to learn. Social media, Facebook, Twitter and Instagram are the main and most favored platforms to

communicate with peers (Singh, 2014; Parker & Igielink, 2020). Through these channels they are globally connected and open to experiences and influences worldwide.

In the near future generation Z will enter to the labour markets to replace to ageing retiring population. Themselves will retire later than the previous generations and their careers are expected to be longer. From work perspective generation Z has entrepreneurial and individualistic mind set and they are willing to start their own businesses. At work they want be monitored and get straight feedback. Generation Z was born at the time of economic recession and their family size is relatively small. Many have no siblings at all or just one sibling. They have innovative ideas and their attitude towards sustainability, recycling and saving the planet is highly positive. They want to shop green and avoid the environmental destruction. With advanced technology they are willing to solve the current problems like climate change and lead the way to the better world. (Singh, 2014)

Generation Z also wants to work in organizations and companies that share their values and offer meaningful tasks. The job has to give satisfaction, not just salary. Team work is natural and they are good team players with good social and networking skills across the cultural differences (Magano, et al., 2020; Lifintsev, Fleseriu, & Wellbrock, 2019). Unlike the previous generations who put their careers and jobs at the first place in life, the new generation values their free time, hobbies. They want certain freedom and the work should not dominate their family life. At work they take the responsibility of their own part in the group work but at the same time they want to work independently without continuous supervising and control from the higher level. When they are on holidays or at weekends they want to feel free from the job. This is possible at due to the economic growth that allows people more possibilities and choices to fulfill their hopes for better life (Chillakuri, 2020).

2.3.2.2 Generation Y (1980-1994) (40-26)

Generation Y, or the Millennials, refers to people who were born approximately between 1980 and 1994 (Mitchell, 2008; McCrindle, 2009; Bednall, Valos, Adam, & Mcleod, 2012).

They are the descendants of Generation X. This smart generation rise up in time of prosperity. They are educated and technically literate, digitaly connected, globalised young people. They are very comfortable with the use of technology because of the early use (McCrindle, 2009) and they are strongly attached to get education in order to be successful in life. Generation Y uses internet in an experienced way and they expect high quality from the digital media and websites.

Socially they are curious and value friendship. Belonging to a group is important and they live up to peers expectations. When discussing and debating they want to hear arguments that are facts. Hard data convinces them. (Goldgehn, 2004). On the other hand they are indivualistic, and also value money but not as much as their predecessors. (Goldgehn, 2004) At work, they demand effectiviness and dislike slowness. Feedback is important as well as flexibility. Like generation Z, also Y wants to keep working life in balance with freetime and wants to enjoy life. Flexibility at work and varying tasks please them. They prefer projects to routine tasks because they want to avoid getting bored. Projects boost their motivation (Kultalahti & Viitala, 2014). They are team workers both at their workplaces and outside where they enjoy team sports.

Generation Y views the world differently from the previous ones in terms of communication. They have often broader perspectives about the world marketplace, supervisor-subordiante relationship, cultural diversity and they see opportunities how the communication and technology can enhance the productivity and business. Their different attitudes and views should be seen in the organization as assets and opportunities rather than critised them. (Myers & Sadaghiani, 2010)

Members of generation Y seek to work in companies that rise their potential. They want to be valued for their performance which leads to better performance and job satisfaction (Muskat & Reitsamer, 2019). They also like to be mentored and perform very well when skills and competences are in line with job description. Compared to the previous generations they are highly ethical and also more entrepreneurial (McCrindle,

2009). They can be very demanding in term of services and always ask for more and better service. They want to be well taken care of when paying for the services.

2.3.2.3 Generation X (1965-1979) (55-41)

Generation X, the age cohort born after 1965 but before 1979 are the children of the Baby Boomers, and next in line to retire from the workforce. Their parents were workaholics who worked hard all their lives. They lack the social skills that their parents have. (Eisner, 2005). This generation was the first one to have personal computers and first to have outstanding technical skills. They are very proficient around technology in the workplace but not as good as their successor (Kupperschmidt, 2000).

They like to develop and learn more to keep their skills updated. McCrindle calls Generation X Digital Transactors, which means that Generation X welcomes and embraces technology. However, their use of technology differs from the generations Y and Z in that sense that X uses technology transactionally, only to fulfill a need. For them it is not a way of life like it is for the younger generations. Members of X are willing to work hard but it has to be worth the trouble financially. It very important to note that Generation X are goal oriented and focused (Glass, 2007). Their preferred leadership is commanding and that is due to their valuation for self-reliance and determination (Kraus, 2017).

Work ethics is big part of their personality and values, hardworking person is admirable and desirable personality. They also work hard even without the boss supervision (Smola & Sutton, 2002). Generation X tends also to bend the rules if necessary. The movement towards higher value to the family life can be seen among the generation X (Williams & Page, 2011).

2.4 Role of generations X, Y and Z on the negotiation tendencies in international business

The topic of generations has been widely studied in social sciences but less in the business context. The research has been done from human resources perspective. Leadership, consumer behaviour, marketing, cultural differences etc. have also been in the focus of studies but mostly concerning X and Y generations (Ahn & Ettner, 2014; Mencl & Lester, 2014; Morton, 2002 ; Williams & Page, 2011). There is a significant need of knowledge of generation Z as well as their behaviour on all the issues concerning working life and business. This thesis is aiming to fulfil the existing research gap from the business negotiations perspective.

The most important studies concerning the negotiation perspective are done by Vieregge and Quick 2010 who studied the Asian generations X and Y and Vanessa Schwarz 2019 who studied and compared the negotiation tendencies of generations X and Y in three different countries, Finland, Germany and Pakistan. The main findings of Vieregge and Quick were that generations X and Y do not differ significantly from their elder in the five cultural dimensions of Hofstede. The only difference was noticed in the individualistic-collectivism -dimension where the younger Asian generations were behaving more like westerners i.e., more individualistic way. This also affects their negotiation style. They spent less time in relationship building phase of the negotiations and more time among technical issues (Vieregge & Quick, 2011).

More light to the topic gives Schwartz's research of negotiation tendencies. She has also studied the Hofstede's dimensions (masculinity-femininity, power distance, uncertainty avoidance and individualism-collectivism) affecting the negotiation styles of different generations and nationals. Schwarz found a significant difference in Finnish sample of the study: *"The Finnish sample shows statistically significant*

values on three of the four dimensions as well. Finnish GenY members have higher scores on the PDI dimensions and are more feminine compared to GenX members from Finland. Furthermore, the Finnish generation Y is less uncertainty avoidant than the older generation. » (Schwartz, 2019).

Schwartz has collected the conventional wisdom about cultural differences among generations X and Y in Finland, Germany, and Pakistan. The part of her work that concerns Finland is used in this thesis as a starting point to make the comparison understandable between the generations. Generation Z is added to the table. The underlying factor that explains the change in the behavior of different generations is the value change between them. The values have changed due to improving socioeconomic development, meaning the economic growth (Inglehart & Welzel, 2005; worldvaluessurvey, 2020; Beugelsdijk, Maseland, & van Hoorn, 2015).

Next, will be provided the table of conventional wisdom about cultural differences among generations X, Y and Z in Finland.

Country Dimension	Finland		
	Gen X	Gen Y	Gen Z
Power distance	<ul style="list-style-type: none"> • Population size ↑ • Per capita GNI ↑ • Dissolution of the Soviet Union <p>⇒ PDI score ↓ (compared to Hofstede's score from 1980)</p>	<ul style="list-style-type: none"> • Population size ↑ • Per capita GNI ↑ • Accession to the EU <p>⇒ PDI score ↓ (compared to the estimated score of Gen X)</p>	<ul style="list-style-type: none"> • Population size ↑ • Per capita GNI ↑ <p>⇒ PDI score ↓ (compared to the estimated score of Gen Y)</p>
Individualism	<ul style="list-style-type: none"> • Per capita GN ↑ <p>⇒ IDV score ↑ (compared to Hofstede's score from 1980)</p>	<ul style="list-style-type: none"> • Per capita GN ↑ <p>⇒ IDV score ↑ (compared to the estimated score of Gen X)</p>	<ul style="list-style-type: none"> • Per capita GN +↑ <p>⇒ IDV score ↑ (compared to the estimated score of Gen Y)</p>
Masculinity	<ul style="list-style-type: none"> • Median age ↑ • Fertility rates ↓ <p>⇒ MAS score ↓ (compared to Hofstede's score from 1980)</p>	<ul style="list-style-type: none"> • Median age ↑ • Fertility rates ↓ <p>⇒ MAS score ↓ (compared to the estimated score of Gen X)</p>	<ul style="list-style-type: none"> • Median age +↑ • Fertility rates -↓ <p>⇒ MAS score -↓ (compared to the estimated score of Gen Y)</p>

Uncertainty avoidance	<ul style="list-style-type: none"> Grew up in economic and social uncertainty. <p>⇒ UAI score ↓ (compared to Hofstede's score from 1980)</p>	<ul style="list-style-type: none"> Economic crisis Terrorism Unique way of dealing with uncertainty. <p>⇒ UAI score ↓ (compared to the estimated score of Gen X)</p>	<ul style="list-style-type: none"> Economic crisis Terrorism Corona pandemic Unique way of dealing with uncertainty. <p>⇒ UAI score ↓ (compared to the estimated score of Gen Y)</p>
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Table 4. Conventional wisdom about cultural differences among generations X, Y and Z in Finland.

2.4.1 Impact of generations X, Y and Z on ten international business negotiation elements in Finland

In the following two tables will be presented the key findings of Salacuse, Metcalf et al. and Schwartz concerning the Finnish negotiations behaviour. In the table 5 Finnish style is connected to the Salacuse's ten negotiation tendencies.

Negotiation Tendencies	Finland
Basic Concept of negotiation: Distributive or Integrative	Finns seek cooperative solutions at early stages. Finns are intransigent once positions are taken.
Goal: Contract or Relationship	Strong orientation toward building relationship
Type of issues: Task oriented or Relationship oriented	Finns are task orientated.
Basics of trust: External or Internal	Finns do not trust words.
Form of agreement: Specific or General	Specific agreement. Statement are promises.
Communication: Direct or Indirect	Finns are direct. Low context communication.

Time sensitivity: High or Low	Finns begin business right away without small talk. It is not appropriate to be late.
Team organization: one leader or consensus	Individuals are responsible for decisions.
Risk taking: High or low	Balanced
Personal style: Formal or Informal	Highly informal
Emotionalism: High or low	Use objective facts, rather than subjective feelings. Serious and reserved.
Agreement building: Bottom up or Top down	Top-down approach to agreement-building

Table 5. Finnish negotiation tendencies (based on Salacuse, 1998; Metcalf, et al., 2006)

In the table 6 Schwartz's findings of Finnish negotiation tendencies of generations X and Y are presented together with the assumptions of this study concerning Finnish generation Z negotiation tendencies. The generation Z is expected to differ from the previous Finnish generations in all ten negotiation elements. Between the two poles of each element we can notice that generations X and Y are mostly positioned on the same side. Both of them prefer direct communication to indirect one. Generation Z is not expected to stand far from X and Y, or on the opposite side of the pole. However, significant difference compared to previous generations is assumed to be found. For example, the attitude element results show that both generations, X and Y believe in win-win approach. Also, generation Z is assumed to follow the same path but negotiate even more actively for good deals for both parties.

Generation Z's negotiation style is assumed to be closer to generation Y than X in the following five elements: attitudes, personal style, communication, time sensitivity and risk taking. It is also assumed that in these elements Z will exceed Y and go further in its direction of the pole. The three elements where Z is expected to behave more like X are goal, emotionalism and agreement form. In agreement building the differences between the generations are small and Z is expected to stand between the older generations. In

team orientation Z is noticeably in the middle of the poles, one leader and consensus orientations, and at the same time between the generations X and Y.

Neg Elements \ Country	Finland		
	GenX: ●	GenY: ●	GenZ: ●
Goal	Contract	← ● ● ● →	relationship
Attitudes	Win-lose	← ● ● ● →	Win-Win
Personal styles	Informal	← ● ● ● →	Formal
Communication	Direct	← ● ● ● →	Indirect
Time sensitivity	High	← ● ● ● →	Low
Emotionalism	High	← ● ● ● →	Low
Agreement form	Specific	← ● ● ● →	General
Agreement building	Bottom up	← ● ● ● →	Top down
Team orientation	One leader	← ● ● ● →	Consensus
Risk taking	High	← ● ● ● →	Low

Table 6. Conventional wisdom about different negotiation tactics in Finland.

2.4.2 Conceptual framework of the study

Conceptual framework of the study is illustrated in the Figure 9 below. The context is Finnish culture in Hofstede's dimensions. The study is exploring different Finnish generations negotiation styles across Salacuse's negotiation tendencies. The framework is based on the fact that any Finnish negotiator belongs to one of the generations X, Y or Z. The cultural background is also affecting the negotiators behaviour. The Finnish cultural background factors and concepts describing it are taken from Hofstede's theory of cultural dimensions. The negotiations behaviour elements that are measured in the study are chosen from Salacuse's theory of ten negotiation elements. The hypotheses

(H1a – H1j) assuming that there are significant differences between the generations in all the ten elements are created and tested in the study.

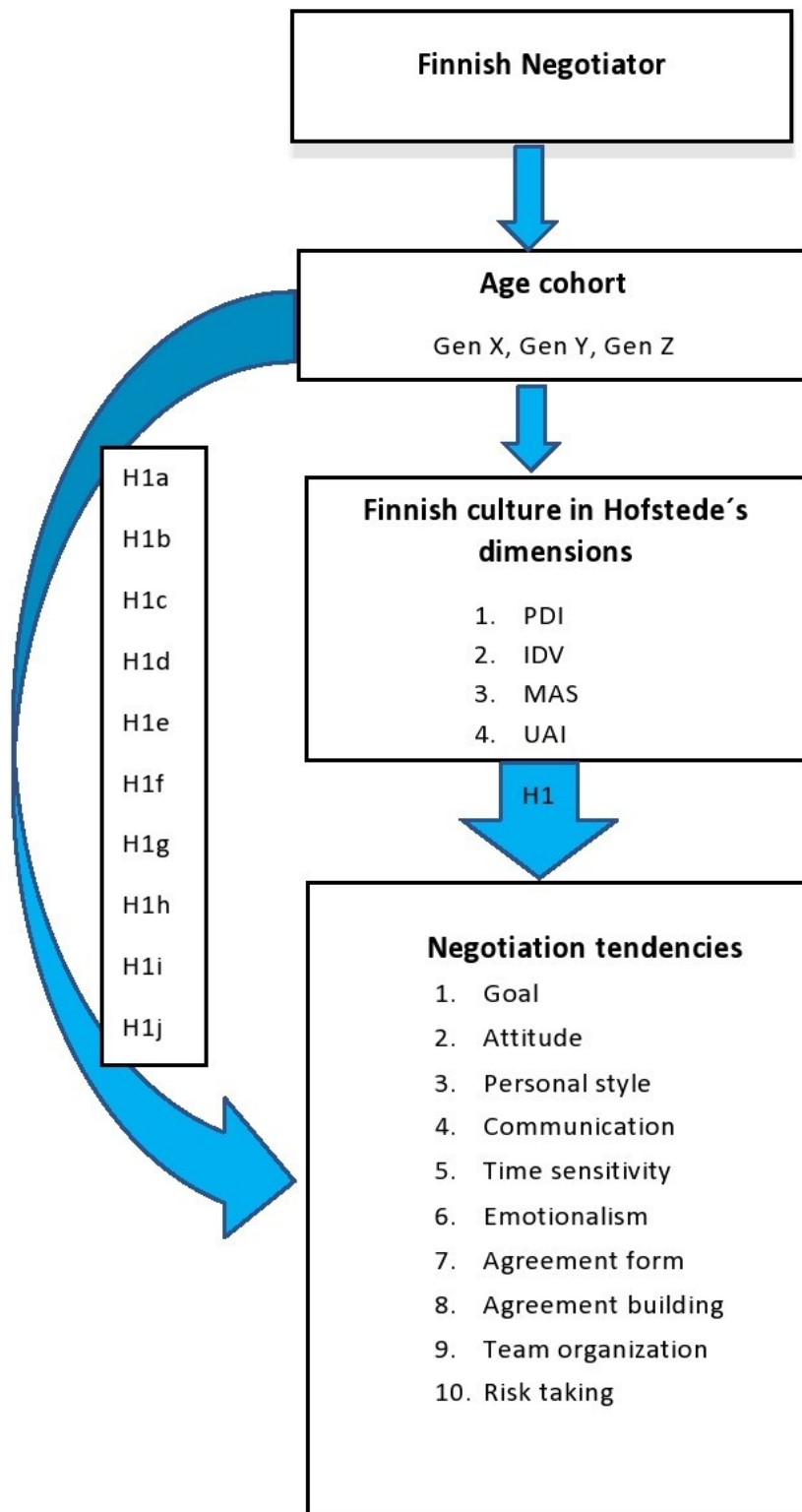


Figure 9. A conceptual framework of the study

Table 7 below collects the detailed hypotheses of the study that will be tested in the empirical part of the study.

Hypothesis 1: There are significant differences among generations X, Y, and Z in Finland across Salacuse's ten factors involved in international business negotiation process.
H1a: Goal of international business negotiation significantly differs among generations X, Y, and Z in Finland.
H1b: Negotiation attitude during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1c: personal styles during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1d: Time sensitivity during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1e: Level of communication during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1f: Level of emotionalism during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1g: Level of agreement form during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1h: Level of agreement building during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1i: Level of team organization during international business negotiations significantly differs among generations X, Y, and Z in Finland.
H1j: Level of team risk taking during international business negotiations significantly differs among generations X, Y, and Z in Finland.

Table 7. Hypotheses of the study

3 Methodology

In the following chapters is explained the research methodology. Saunders and Lewis onion model (figure 10) will be introduced. The research and development stages of the model will be illustrated in the following steps: The two external layers, research philosophy and research approach, will be discussed in the chapter 3.1. The inner layers, the methodological choices will be displayed in the chapter 3.2. They are followed by the explanation of the research strategy and data collection technique in the chapter 3.3. Detailed information about the data collection and analysis is explained in the sub-chapters (3.3.1 and 3.3.2). Finally, the validity, reliability and ethicalness of the research are assessed in the chapter 3.4.

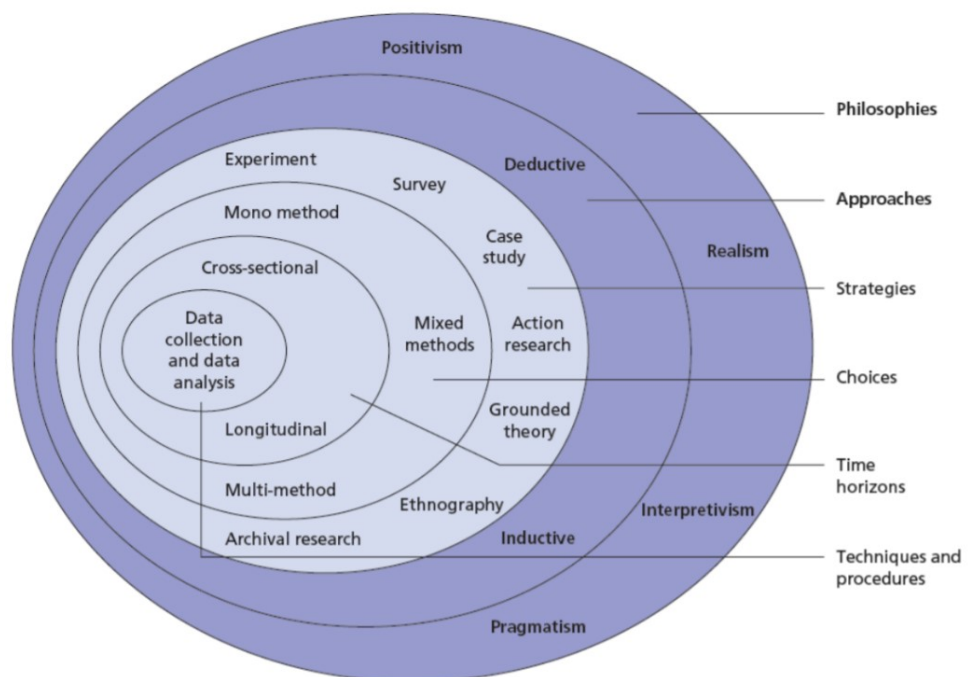


Figure 10. The research onion by Saunders and Lewis, 2019

3.1 Research philosophy and approach

There are number of philosophical assumptions that are utilized in order to build or develop a study. According to Saunders “research philosophy is a set of beliefs about how evidence on a phenomenon should be collected, analysed, and utilized”. Research philosophies such as positivism, realism, interpretivism, subjectivism, and pragmatism are pointed out by Saunders (2019). This research falls partly into two categories, positivism and critical realism. Positivism utilizes the previous research and the existing theories to create hypotheses that can be tested. That has been done in this study. The important empirical data has been collected in a way that minimizes the researcher’s influence to the results. However, the sample size is not large enough to make any law-like generalizations. A positivist ideal, a full knowledge based on observation and experiment, has to be rejected. Therefore, also critical realism philosophy is partly adequate approach for this thesis. Critical realism focuses on explaining what we see and experience in terms of the underlying structures of reality that shape the observable events. (Saunders & Lewis, 2019). The aim of this research is to find out how Finnish negotiation style has changed over time. Even though the study is not focusing to explain deeply the reasons behind the change, it recognizes the underlying social structures that have affected the phenomenon.

When choosing the research approach the researcher’s choices are either deductive or inductive approach. Deductive approach is used when hypothesis/hypotheses are developed and tested during the research process. Hypotheses testing is the most essential part of this study, and the chosen approach is deductive.

3.2 Research purpose and context of the study

The purpose of this study on one hand is research orientated. It increases the knowledge and basic understanding of the phenomenon in question and aims to build theoretical

explanation for it. On the other hand, the purpose is to produce valid knowledge for management to support organisational problem solving.

In addition to higher reliability there are several reasons for choosing quantitative research method for this thesis. Quantitative method allows to establish statistical relationships between variables. Furthermore, it enables comparisons with the previous research results. This was important because this study continued the research of Vanessa Schwarz and utilized the Finnish research sample of her study. With statistical programs and tools it is possibly to interpret and compare the results easily.

3.3 Execution of the study

3.3.1 Data collection

The questionnaire has significant importance in quantitative research (Sekaran, 1992; Collis & Hussey, 2009). For the purpose of this research a survey questionnaire, a common data collection technique was chosen. The respondents recorded their answers themselves. Questionnaires advantage is the large number of answers that can be collected from the chosen sample quickly. The research question and the problem to be solved in the study define the type of information that must be collected. All gathered data must help to answer the research question and assist in the decision making to solve the research problem. In most cases, it is not possible to directly ask the research questions in a questionnaire. The answer must be found by presenting modified, other types of questions.

In order to obtain the best outcome from the survey, fixed-alternative question method was chosen. Respondents are given specific, limited-alternative responses and asked to choose the one closest to their own viewpoint. This type of technique has its own advantages and disadvantages. The advantages are that it requires less interviewer skill, takes less time to answer, it is easier for the respondent to answer and provides

comparable answers. Disadvantage is that it lacks range in the response alternatives. Therefore it may create the tendency of respondents to choose convenient alternative. (Saunders, Lewis, & Thornhill, 2019, p. 519).

For the layout and sequence questions, the title of a questionnaire was phrased carefully, to capture the respondent's interest. The importance of the research was underlined, and the interesting and confidential nature of the study emphasized. For the questions survey sequence, the best option is the funnel technique, where general questions were before specific questions in order to obtain unbiased responses (Saunders, Lewis, & Thornhill, 2019, p. 533-536)

With the purpose to achieve high response rate, a cover letter was attached to the email survey, explaining the purpose of the research and why the respondents should participate (Saunders, Lewis, & Thornhill, 2019,p.537). The survey was sent via a email to two hundred international business students from Vaasa and Tampere. The survey was designed only in English because the target sample were students from international business English programs (Master's and Bachelor's degree programs).

This survey was divided in three sections: background information, company background information and negotiation behavior section. The survey starts with general information, such as age, gender, nationality, job position etc. Then will be asked the respondents company information, in this case, the university. The negotiation behavior section is the core part of the survey, and it was divided to two sections A or B according to the respondent's international business negotiations experience. If the respondent has no experience of international business negotiation, he/she must choose section A. If he/she has experience, he/she must choose section B. The respondents were asked to choose from a list of question response alternatives. The alternatives measured how much the respondent agreed with the claim presented in the question. Those five alternatives from "strongly agree" to "strongly disagree" were coded in a way that they

are connected to Salacuse's ten negotiations elements (Saunders, Lewis, & Thornhill, 2019, p. 532-533).

3.3.2 Data analysis

In order to analyse the data, the SPSS (Statistical Package for the Social Sciences) is used. It is widely utilized by market and health researchers, survey companies, marketing and data extractions organizations for complex statistical data analysis. The program has various tools that the researcher/user can choose from according to the need. For the purpose of this thesis the 1-ANOVA test is applied because 1-ANOVA test is adequate when there is a need to investigate the relationship between one independent variable that assumes two or more categories (Johnson & Christensen, 2014, p. 750). In this study the different generations represented the independent variable. The dependent variables whose variation is being studied are the ten negotiation elements by Salacuse.

3.4 Validity, reliability and ethicalness

According to Johnson & Christensen "reliability is the degree to which a research instrument produces consistent results" and "validity is how accurate an instrument is at measuring what it is trying to measure ". (Johnson & Christensen, 2014, p. 239). Adopting or adapting questions may be necessary if you wish to replicate, or to compare your findings with another study. This can allow reliability to be assessed. (Saunders, Lewis, & Thornhill, 2019, p. 519). The questions used in the survey were partly adopted from Schwartz 2019 study survey because continuing her research was the core purpose of the study. This would ensure the measurement consistency within this research. The questions were designed for the same purpose and therefore there was no need for pilot testing.

According to Saunders (2009) there are four main threats to reliability: Subject or participant error, subject or participant bias, observer error, and observer bias. Possible

subject error where the answer would depend on the time of the survey is not likely. Also, the subject bias when the participant would choose his answers as he thinks he is expected to answer is minimized. To avoid the subject and participant bias the participants were not given much information of the research goals. So, they could not know what the conclusions of their answers would be. Also, the researcher – participant relationship was kept distant to avoid observer error where the person of the researcher would influence the outcome. The participants filled the questionnaire and sent it without being in contact with the researcher. Finally, the threat of observer bias where the researcher's socio-cultural background and experiences would affect the interpretation of the results is minimized by using the statistical software package, SPSS, for the results. During the data gathering process the participants' anonymity was guaranteed. The validity and reliability of the study are on adequate level.

Ethics “are the principles and guidelines that help us uphold the things we value” (Johnson & Christensen, 2014, p. 192). Generally speaking, researchers have ethical obligations toward the scientific community and the subjects of their work. These ethical guidelines will help and assist the researcher in keeping and conducting the research in ethical way. The most important is to recognize the ethical issues and how to deal with them.

As an example of ethical data collection is the access to data from international business students at the University of Tampere. Under the EU Data Protection Act (1050/2018) permission to send questionnaires to students has to be granted by the university before any exchange of data. A request to approach the students with the survey has to be sent to the dean of the university explaining why the students should participate in the research project. (Saunders, Lewis, & Thornhill, 2019, p. 241). In the cover letter of the survey link was explained the respondents privacy, the confidentiality of their answers and the reason behind the research. Students have a right to decide whether or not they want to participate in the data collection process. (Brace, 2013, pp. 201-202). Finally,

they were given a possibility to later get the results of the survey and the result interpretations if they wanted to.

4 Findings

4.1 Description of the sample

4.1.1 Data sample, generations X and Y

The purpose of this study is to investigate and enhance the knowledge about the international business negotiation style of Finnish generation Z. The generation X and Y parts of the sample are collected in 2019 by Vanessa Schwartz for her study of Finnish, Pakistan and German international business negotiation styles of generations X and Y. Generation Z will be added to the research. By comparing the results of Schwartz's study to the results of generation Z the possible differences between the generations' negotiation styles can be found. In the next chapters 4.1.2 - 4.1.5 will be presented and described the background information of all the three sample generations, X, Y and Z. After that, in the following chapter 4.2 will be presented the results of Salacuse ten negotiation elements among generations. This will be followed by the interpretation and the hypotheses testing of the results.

4.1.2 Demographic variables, age and gender

The sample of the study is 141 respondents that belong to three different generations as follows: 41,8 % (n=59) are members of generation X, 37,6 % (n=53) belong to generation Y and 20,6 % (n=29) belong to generation Z. The generation distribution will be presented in the table 8.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Generation Z	29	20.6	20.6	20.6
	Generation Y	53	37.6	37.6	58.2
	Generation X	59	41.8	41.8	100.0
	Total	141	100.0	100.0	

Table 8. Generation distribution of the sample

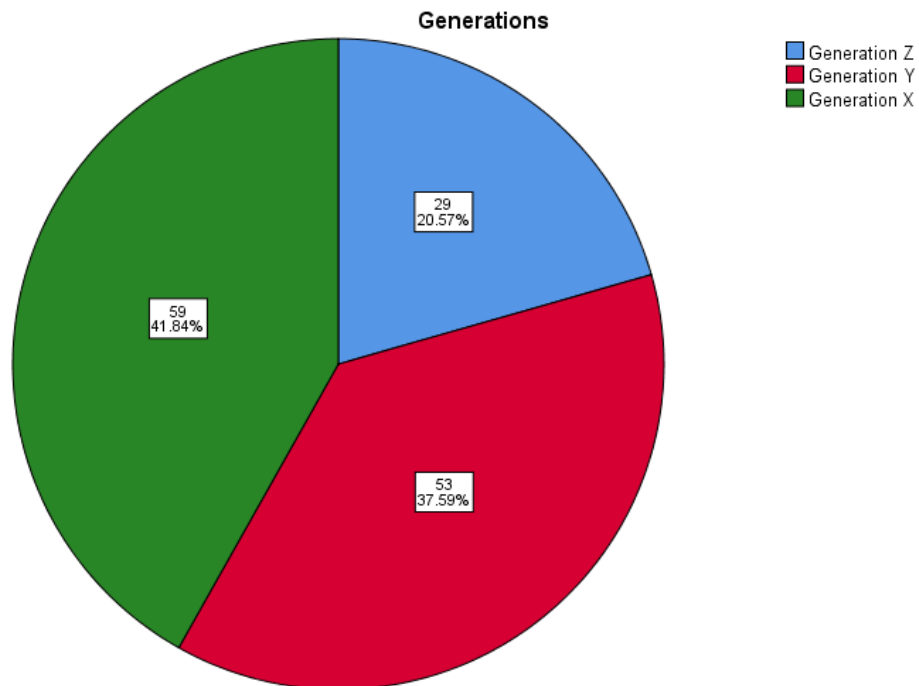


Figure 11. Generation distribution of the sample

The gender distribution within the whole sample was male dominated by 54,6 % while 44.7% were female respondents and other 7 %. However, in generation Z the female gender was dominating; female 58,6%, male 37,9 % and other 3,4 %. The gender distribution for the whole sample will be presented in the table 9 and for the generation Z in the table 10.

Gender distribution, generations X, Y and Z

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	1	.7	.7	.7
	Male	77	54.6	54.6	55.3
	Female	63	44.7	44.7	100.0
	Total	141	100.0	100.0	

Table 9. Gender distribution of the sample

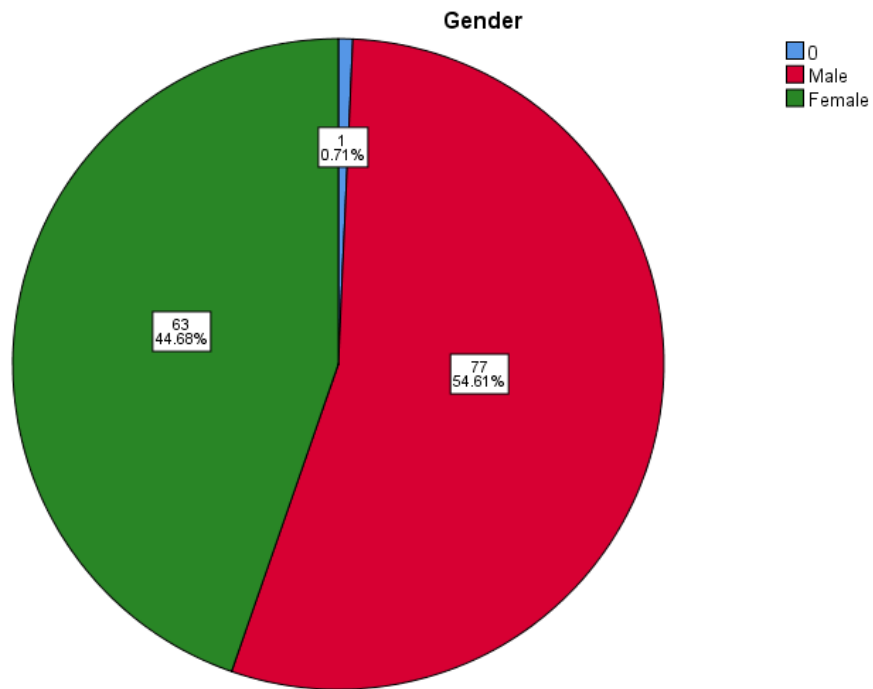


Figure 12. Gender distribution of the whole sample

Gender distribution, generation Z

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	1	3.4	3.4	3.4
	Male	11	37.9	37.9	41.4
	Female	17	58.6	58.6	100.0
	Total	29	100.0	100.0	

Table 10. Gender distribution of the generation Z

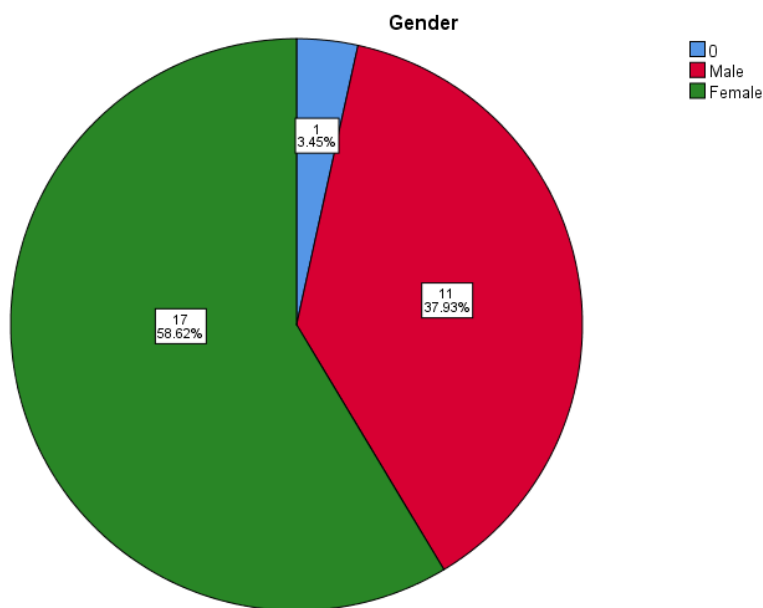


Figure 13. Gender distribution of the generation Z

4.1.3 Current degree

Master's degree is the majority's degree among all the generations; X = 59,3 %, Y = 86,8 % and Z = 62,1 %.

Among the generation Z all the respondents were aiming either to bachelor's degree or to master's degree which can be seen at the table 11.

Current degree, generation Z

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor's degree	11	37.9	37.9	37.9
	Master's degree	18	62.1	62.1	100.0
	Total	29	100.0	100.0	

Table 11. Degree distribution, generation Z

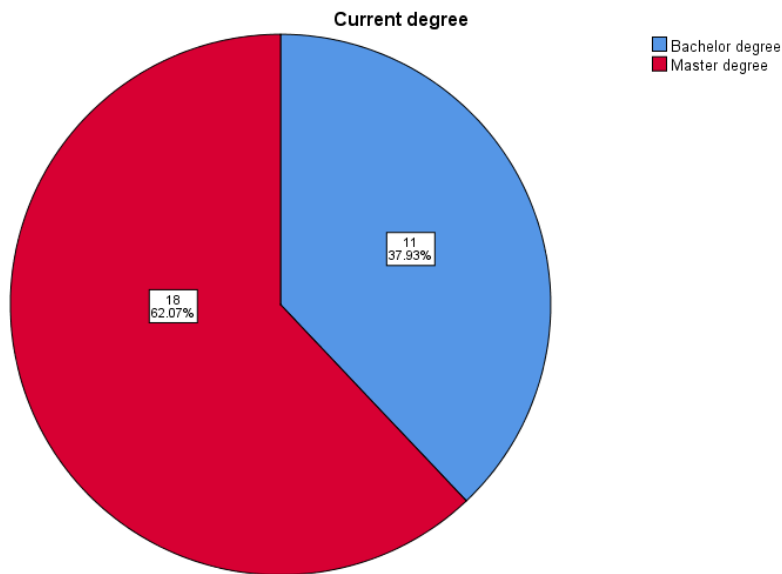


Figure 14. Degree distribution, generation Z

4.1.4 Work experience

All the generation X respondents had work experience and only one respondent of generation Z had no work experience at all.

In generation Z 37,8% had work experience between 3 to 5 years. 31 % had 1-3 years of work experience and only 10.3 % had worked more than 7 years. 3.4 % had no experience at all and 3,4 % had worked a year or less. The work experience distribution will be presented in the table 12.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	1	3.4	3.4	3.4
	1 year or less	1	3.4	3.4	6.9
	1-3 years	9	31.0	31.0	37.9
	3-5 years	11	37.9	37.9	75.9
	5-7 years	4	13.8	13.8	89.7
	5	3	10.3	10.3	100.0
	Total	29	100.0	100.0	

Table 12. Work experience, generation Z



Figure 15. Work experience, generation Z

4.1.5 International business negotiation experience

Almost half (48,3%) of the respondents belonging to the generation Z had no experience of international business negotiations. 27,6 % of them had been involved less than 10 times. 13,8 % had 11-50 international negotiation times, 3,4 % 51-90 times and 6,9 % had more than 130 international negotiations in their history. International business negotiation experience distribution among the generation Z is presented in the table 13.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	14	48.3	48.3	48.3
	Under 10	8	27.6	27.6	75.9
	11-50 times	4	13.8	13.8	89.7
	51-90 times	1	3.4	3.4	93.1
	over 130	2	6.9	6.9	100.0
	Total	29	100.0	100.0	

Table 13. International business negotiation experience, generation Z

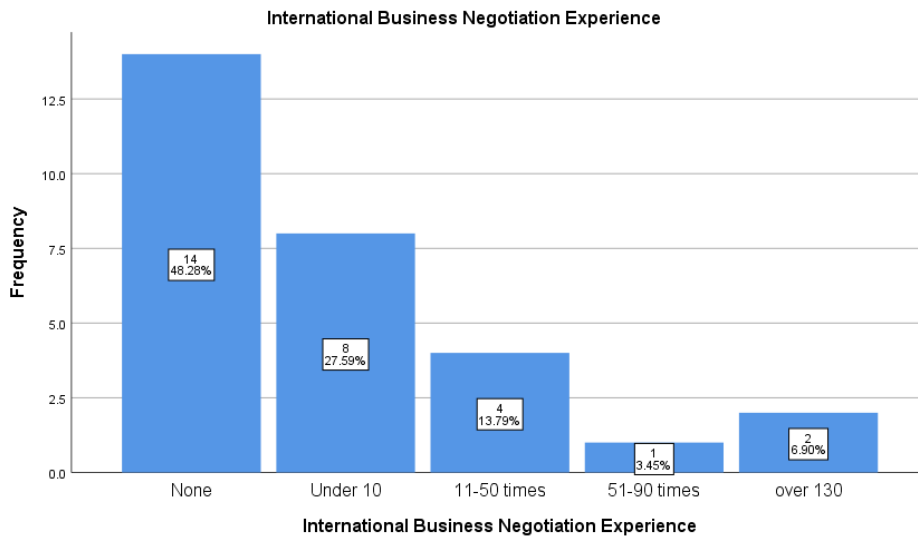


Figure 16. International business negotiation experience, generation Z

4.2 Results for negotiation elements

4.2.1 1-ANOVA testing and results

In this chapter will be presented the results of the ten negotiation tendencies among different generations. 1-ANOVA (One-Way ANOVA) has been used to investigate the relationship between one independent variable that assumes two or more categories i.e., generations and one dependent variable, negotiation element. The p value measures the level of significance as follows:

A small p value, typically $\leq .01$ indicates extremely strong evidence in favour of the hypothesis.

A medium p value, typically ≤ 0.05 but ≥ 0.02 indicates a very strong evidence in favour of the hypothesis.

A high p value, typically $\leq .1$ but $\geq .06$ indicates strong evidence in favour of the hypothesis.

A very high p value, typically $> .1$ indicates no evidence in favour of the hypothesis and the hypothesis will be rejected.

In the table 14 will be presented the detailed results for each of the Salacuse's negotiation elements.

ANOVA-1 results of hypotheses testing					
Finland					
Negotiation elements	Means of Gen X, Y, and Z	F-value	P-value	Mean differences	P-value
Goal (contact vs relationship)	Gen Z: 3.31 Gen Y: 3.53 Gen X: 3.83	F (2, 138) = 4.92	.009	Generation Z - Generation Y = -.218	.667
				Generation Z - Generation X = -.520	.010
				Generation Y - Generation X = -.302	.120
Attitudes (win/lose vs win-win)	Gen Z: 3.86 Gen Y: 4.06 Gen X: 4.08	F (2, 138) = 1.06	.348	Generation Z - Generation Y = -.195	.685
				Generation Z - Generation X = -.223	.482
				Generation Y - Generation X = -.028	.685
Personal style (informal v formal)	Gen Z: 3.10 Gen Y: 3.77 Gen X: 3.90	F (2, 138) = 7.720	.001	Generation Z - Generation Y = -.670	.006
				Generation Z - Generation X = -.795	.001
				Generation Y - Generation X = -.125	1.00
Comm. style (Direct vs indirect)	Gen Z: 2.31 Gen Y: 2.02 Gen X: 1.97	F (2, 138) = 3.552	.031	Generation Z - Generation Y = +.291	.098
				Generation Z - Generation X = +.344	.031
				Generation Y - Generation X = +.053	1.00
Time sensitivity (Low vs high)	Gen Z: 4.59 Gen Y: 4.00 Gen X: 4.05	F (2, 138) = 8.680	.000	Generation Z - Generation Y = +.586	.000
				Generation Z - Generation X = +.535	.001
				Generation Y - Generation X = -.051	1.00
Emotionalism (Low vs high)	Gen Z: 2.69 Gen Y: 2.30	F (2, 138) = 6.415	.002	Generation Z - Generation Y = +.388	.045

	Gen X: 2.14			Generation Z – .001 Generation X = +.554	
				Generation Y – .600 Generation X = +.166	
Agree. form (specific vs general)	Gen Z: 3.17 Gen Y: 2.64 Gen X: 2.56	F (2, 138) = 4.301	.015	Generation Z – .051 Generation Y = +.531	
				Generation Z – .015 Generation X = +.613	
				Generation Y – 1.00 Generation X = +.082	
Agree. building (bottom-up vs top down)	Gen Z: 3.00 Gen Y: 2.83 Gen X: 2.61	F (2, 138) = 2.287	.105	Generation Z – 1.00 Generation Y = +.170	
				Generation Z – .128 Generation X = +.390	
				Generation Y – .507 Generation X = +.220	
Team organi. (One leader vs consensus)	Gen Z: 3.59 Gen Y: 3.25 Gen X: 2.90	F (2, 138) = 6.533	.002	Generation Z – .266 Generation Y = +.341	
				Generation Z – .002 Generation X = +.688	
				Generation Y – .105 Generation X = +.347	
Risk taking (low vs high)	Gen Z: 2.93 Gen Y: 3.08 Gen X: 3.39	F (2, 138) = 4.663	.011	Generation Z – 1.00 Generation Y = -.144	
				Generation Z – .019 Generation X = -.459	
				Generation Y – .073 Generation X = -.314	

Table 14. 1-ANOVA Results for the negotiations elements

4.2.2 1-ANOVA test interpretation

In the table 15 will be presented the hypotheses testing results followed by the detailed explanations.

ANOVA-1 results of hypotheses testing

Finland								
Negotiation elements	Means of Gen X, Y, and Z	F-value	P-value	Mean differences	P-value	Accept/Reject	Hyp.	Accept/Reject
Goal (contact vs relationship)	Gen Z: 3.31	F (2, 138) = 4.92	.009	Generation Z – Generation Y = -.218	.667	Reject	H1a	Partial support
	Gen Y: 3.53			Generation Z – Generation X = -.520	.010	Accept		
	Gen X: 3.83			Generation Y – Generation X = -.302	.120	Accept		
Attitudes (win/lose vs win-win)	Gen Z: 3.86	F (2, 138) = 1.06	.348	Generation Z – Generation Y = -.195	.685	Reject	H1b	Reject
	Gen Y: 4.06			Generation Z – Generation X = -.223	.482	Reject		
	Gen X: 4.08			Generation Y – Generation X = -.028	.685	Reject		
Personal style (informal v formal)	Gen Z: 3.10	F (2, 138) = 7.720	.001	Generation Z – Generation Y = -.670	.006	Accept	H1c	Partial support
	Gen Y: 3.77			Generation Z – Generation X = -.795	.001	Accept		
	Gen X: 3.90			Generation Y – Generation X = -.125	1.00	Reject		
Comm. style (Direct vs indirect)	Gen Z: 2.31	F (2, 138) = 3.552	.031	Generation Z – Generation Y = +.291	.098	Accept	H1d	Partial support
	Gen Y: 2.02			Generation Z – Generation X = +.344	.031	Accept		
	Gen X: 1.97			Generation Y – Generation X = +.053	1.00	Reject		
Time sensitivity (Low vs high)	Gen Z: 4.59	F (2, 138) = 8.680	.000	Generation Z – Generation Y = +.586	.000	Accept	H1e	Partial support
	Gen Y: 4.00			Generation Z – Generation X = +.535	.001	Accept		
	Gen X: 4.05			Generation Y – Generation X = -.051	1.00	Reject		
Emotionalism (Low vs high)	Gen Z: 2.69	F (2, 138) = 6.415	.002	Generation Z – Generation Y = +.388	.045	Accept	H1f	Partial support
	Gen Y: 2.30			Generation Z – Generation X = +.554	.001	Accept		
	Gen X: 2.14			Generation Y – Generation X = +.166	.600	Reject		
Agre. form (specific vs general)	Gen Z: 3.17	F (2, 138) = 4.301	.015	Generation Z – Generation Y = +.531	.051	Accept	H1g	Partial support
	Gen Y: 2.64			Generation Z – Generation X = +.613	.015	Accept		
	Gen X: 2.56			Generation Y – Generation X = +.082	1.00	Reject		
Agre. building (bottom up vs top down)	Gen Z: 3.00	F (2, 138) = 2.287	.105	Generation Z – Generation Y = +.170	1.00	Reject	H1h	Partial support
	Gen Y: 2.83			Generation Z – Generation X = +.390	.128	Accept		
	Gen X: 2.61			Generation Y – Generation X = +.220	.507	Reject		
Team orga. (one leader vs consensus)	Gen Z: 3.59	F (2, 138) = 6.533	.002	Generation Z – Generation Y = +.341	.266	Reject	H1i	Partial support
	Gen Y: 3.25			Generation Z – Generation X = +.688	.002	Accept		
	Gen X: 2.90			Generation Y – Generation X = +.347	.105	Accept		
Risk taking (low vs high)	Gen Z: 2.93	F (2, 138) = 4.663	.011	Generation Z – Generation Y = -.144	1.00	Reject	H1j	Partial support
	Gen Y: 3.08			Generation Z – Generation X = -.459	.019	Accept		
	Gen X: 3.39			Generation Y – Generation X = -.314	.073	Accept		

* p ≤ 0.1, ** p ≤ 0.05, *** p ≤ 0.01.

Table 15. ANOVA-1 hypotheses testing results

The overall sample shows a significant difference between Generations X, Y, and Z members across nine out of ten negotiation elements. An extremely strong significance difference between generations X, Y, and Z is found for the negotiation goal [F (2, 138) = 4.92; p = .009], personal style [F (2, 138) = 7.720; p = .001], time sensitivity ([F (2, 138) = 8.680; p = .000], emotionalism [F (2, 138) = 6.415; p = .002], agreement form [F (2, 138) = 4.301; p = .015], team organization [F (2, 138) = 6.533; p = .002], and risk taking [F (2, 138) = 4.663; p = .011].

A very strong significance difference is found for communication style [$F(2, 138) = 3.552$; $p = .031$], and a strong significance difference is found for agreement building [$F(2, 138) = 2.287$; $p = .105$]. However, no significant difference was found for attitude element. Hence, we conclude that there are significant differences between generations X, Y and Z for nine out of ten factors involved in international business negotiation process. Therefore, hypothesis 1 is partly supported.

Further, the pairwise Bonferroni comparisons reveal that the average score of negotiation goal in generation Z (3.31) and generation Y (3.53) is significantly lower than that of generation X (3.83). However, average score of negotiation goal in generation Z (3.31) did not significantly differ from that of generation Y (3.53). Therefore, H1a is partially supported. Further, average scores of negotiation attitude in generation X, Y, and Z are not significantly different from each other. Hence, H1b is rejected. Further comparisons reveal that the average score of personal style in generation Z (3.10) is significantly lower than that of generation Y (3.77) and generation X (3.90). However, average score of personal style in generation Y (3.77) did not significantly differ from that of generation X (3.90). Therefore, H1c is partially supported. Further, average score of communication style in generation Z (2.31) is significantly higher than that of generation Y (2.02) and generation X (1.97). However, average score of communication style in generation Y (2.02) did not significantly differ from that of generation X (1.97). Hence, H1d is partially supported.

The average score of time sensitivity in generation Z (4.59) is significantly higher than that of generation Y (4.00) and generation X (4.05). However, average score of time sensitivity in generation Y (4.00) did not significantly differ from that of generation X (4.05). Hence, H1e is partially supported. The average score of emotionalism in generation Z (2.69) is significantly higher than that of generation Y (2.30) and generation X (2.14). However, average score of time emotionalism in generation Y (2.30) did not significantly differ from that of generation X (2.14). Hence, H1f is partially supported. Further, average score of agreement form in generation Z (3.17) is significantly higher

than that of generation Y (2.64) and generation X (2.56). However, average score of agreement form in generation Y (2.64) did not significantly differ from that of generation X (2.56). Hence, H1g is partially supported.

The average score of agreement building in generation Z (3.00) is significantly higher than that of generation X (2.61). However, average score of agreement building in generation Y (2.83) did not significantly differ from that of generation Z (3.00) and generation X (2.61). Hence, H1h is partially supported. Further, average score of team organization in generation Z (3.59) and generation Y (3.25) is significantly higher than that of generation X (2.90). However, average score of team organization in generation Z (3.59) did not significantly differ from that of generation Y (3.25). Therefore, H1i is partially supported. Finally, the average score of risk taking in generation Z (2.93) and generation Y (3.08) is significantly lower than that of generation X (3.39). However, average score of risk taking in generation Z (2.93) did not significantly differ from that of generation Y (3.08). Therefore, H1j is also partially supported.

5 Discussion

The primary focus of this study is to investigate the impact of generations on the negotiating tendencies/elements of Finnish negotiators in international business. In accordance with the literature mentioned in this thesis, it is important to discuss the findings with the previous studies, and how they are connected. Salacuse's ten negotiation tendencies will be discussed in order of the findings and how they correlate with culture, and Finnish generations X, Y and Z.

5.1 The impact of generations on Salacuse's ten negotiations tendencies

5.1.1 Goal

One of the interesting findings is that the Finnish generation Z is more contract oriented than the previous generations. Generation Z prefers to have the contract signed because the contract in itself represent the deal. The North Americans have the same negotiation behavior. Compared to the generations X and Y there is a significant change in behavior that is related to individualism as proved by the previous studies by Salacuse (1998) and Bird et al. (2003).

The change can also be explained by the economic development. The more a society is developed and has economic growth, the more the members of the society tend to be individualistic. Salacuse (1998) and Metcalf et al. (2006) both found that Finns have strong orientation toward relationship building. However, the youngest generations Z is more contract oriented. This could be explained by the strong individualism character of generation Z proven by McCrindle (2009), also by Salacuse (1998) and Bird et al. (2003). Also, the Hofstede's previous cultures study shows high individualism score (63/100) for Finland.

5.1.2 Attitude

Concerning the negotiation attitude whether it is win-lose or win-win, these empirical findings confirm the previous studies (Salacuse, 1998 and Metcalf et al. 2003). Generation Z does not differ from the previous generations. They also prefer integrative, win-win negotiation approach where both sides can gain. In other words the culture is stable in that sense.

5.1.3 Personal style

Finnish culture and Finns in general are informal and the power distance in the society is low. They do not emphasize the titles nor the dress code. Also communication is informal, and first names are widely in use. The members of the generation Z in Finland are more informal than the members of previous generations, which supports McCrindle (2009) findings. The global trend and being familiar with social media since early age has affected the youngest Finnish generation and they have become more open and tolerant. They also have less barriers when acting in an international environment. As formal style in many cultures and especially among older generations is a distinctive mark of respect, an excessive informality can create problems in international negotiations.

5.1.4 Communication

As Finland is a low context society there is strong emphasis on directness on all the situations and international business is not an exception. Finns have direct and fact-based culture which is confirmed by the studies of Hofstede (2005), Lewis (2005), Salacuse (1998) and Metcalf et al. (2003). Surprisingly, this study shows that generation Z is even more direct than the previous ones. There is a strong correlation between the individualism and the communication. The higher the score in the individualism, the more direct is the communication. Finns do not waste time when going directly to the point. They expect fair and straightforward approach from their negotiation partners. Directness in Finland is associated with respect but again, in international business context it is safer to stay in the formal style because informality can be interpreted as disrespect if the counterpart is from formal culture.

5.1.5 Time

Time is money -result was expected as western societies give high importance to time. Katz (2006) has pointed out that Finnish negotiators may make their final offer quite early in the bargaining process, attempting to speed up the negotiation. The previous research confirms that in a linear-active society timetables, planning and time management is important (Lewis, 2006). In Hofstede's dimension high uncertainty avoidance also produces carefully planned schedules and organized and structured business management.

Generation Z's behavior concerning time in this study aligns with the results of previous studies. Time is important. However, it seems that the youngsters are more concerned about time than the previous generations X and Y. That could be explained by much valued free time among the young generation. They want to get important matters done efficiently and save time to be able to relax and concentrate on the free time activities, which is very important for life-balance. The result could also be explained from another angle. The results of McCrindle (2009) show that generation Z is impatient and wants to get information as quick as possible and do not like to waste time.

5.1.6 Emotionalism

Another interesting finding is that the Finnish generation Z is more emotional than the previous ones, which is completely contradicting the Salacuse (1998) and Metcalf et al. (2006) findings, also the Lewis's (2005) findings, where Finns are shy and reserved. This would be explained by the impact of globalization on young Finnish generation.

Katz (2006) advice to avoid all the aggressive tactics when negotiating with Finns and to be very careful when using pressure tactics like time pressure and expiring offers because Finns would consider them inappropriate. Finns believe in the concept of win-win, and they use only few deceptive tactics such as pretending not to be interested in the whole deal. They expect their negotiation partner to reciprocate their respect and trust. Information sharing is a way in building trust. Telling lies, sending fake non-verbal

messages, misrepresenting an item's value, making false demand or claiming "limited authority" would only jeopardize the trust and damage the negotiations. Also, opening with an extreme offer could be viewed as an unfriendly act. All emotional negotiation tactics and open confrontation should be avoided with the Finns.

5.1.7 Agreement form

It was not a surprise that the young Finnish generation prefers specific agreement form as Finland is a structured society. The devil is in the details and the generation Z prefers specific agreements to general ones. The difference is slightly higher than among the previous generations but not much, which means generation Z prefers a balanced approach, which is confirmed by the previous study of Metcalf et al. (2006).

As mentioned in the goal part, the Finnish generation Z tends slightly prefer signing a contract than building a relationship. That could explain their preference to a specific contract, as do the North American negotiators. Katz (2006) recommends opening the negotiations with Finnish counterparts with written offers and introducing written terms and conditions. Finns may find them desirable, and it would also shorten the bargaining process.

5.1.8 Agreement building

Finnish generation Z likes deductive agreement processes which means top-down approach. First will be agreed the broader, general principles. After that the negotiators proceed to the detailed issues and terms of the contract like price, delivery, and product quality. The French have this negotiation style. Americans, on the contrary, prefer to build up the agreement from the bottom. For them the negotiation process is a long list of details and particulars that need to be argued and compromised.

The Finnish agreement building style is known also from the previous studies. (Salacuse, 2003; Metcalf et al., 2006). This new result aligns with Metcalf et al. (2006) results, where the young Finns prefer to agree on the broad principles and continue towards more

specific clauses. However, this feature is even slightly stronger among the generation Z than the previous generations. Partly it can be connected to the result mentioned earlier that contract itself is the goal of the negotiation, not the relationship. It explains the increasing interest to the detailed contract clauses. The contract also represents the commitment to the negotiation result.

5.1.9 Team organization

Generation Z prefers consensus to one leader approach slightly higher than the previous generations. This may be due to their preference for group work and harmony, where decisions are made in team spirit, and everyone is involved and has a saying. (McCrindle, 2009). The decision-making usually takes more time in the consensus-type organizations.

Finnish culture of low power distance is also translated to flat management where exists a strong trust to the colleagues in term of professionalism and ethics. Each member does what he or she supposed to do and takes the responsibility accordantly. All these things together form a beneficial ground for teamwork and consensus. It is noteworthy to mention that the strong individualism among the Finnish generation Z does not seem to affect their team working capabilities.

5.1.10 Risk

As mentioned in the previous chapters related to Finnish culture, Finland scores high index in uncertainty avoidance, which means rules and order have to be maintained in order to avoid disfunction and stress in the society (Hofstede, 2005). Plans are important tools in avoiding disasters. Finns are often reluctant to take risks. Generation Z seems to be more risk averse than the previous generations. Salacuse (1998) and Metcalf et al. (2006) found that Finns are risk balanced. However the generation Z is even more risk averse than the previous generations. If you expect them to take a risky decision, you may need to find ways for them to become comfortable with it first, for instance by explaining contingency plans, outlining areas of additional support, or by offering guarantees and warranties (Katz, 2006).

5.2 Long term tendencies

In her 2019 study Schwartz found clear differences between generation Y and generation X members regarding the negotiation behaviour. This was the result in all three investigated countries, Finland, Germany and Pakistan concerning seven negotiation elements. According to that study generation Y members are more contract-oriented than generation X members. In this new study is found that generation Z goes further in their contract-orientation. Generation Y prefers to negotiate in a more informal style than X and Z again, is more informal than Y. Furthermore, Y allows higher emotionalism within negotiations than X and Z is more emotional than Y. Y prefers top-down approaches as does the Z. Y has more consensus-oriented team structure than X and Z is the most groupwork and consensus-orientated generation. Z is more risk averse than the members belonging to generation Y which was more risk averse than X. We can see from the results that the differences in the styles between generations X and Y continue to grow among the generation Z and there are long-term tendencies over the generations affecting the Finnish negotiation style.

6 Conclusion

This study results show significant differences between generations X, Y and Z members across nine out of ten negotiation elements. Extremely strong significant differences between generations X, Y and Z are found for the negotiation goal, personal style, time sensitivity, agreement form, team organization and risk taking. A very strong significant difference is found for communication style, and a strong significant difference is found for agreement building. However, no significant difference was found for attitude element.

6.1 Theoretical contribution

The theoretical contribution of this thesis is related to the impact of Finnish generations on Salacuse international business negotiations tendencies. This research has brought new knowledge not existing at the moment concerning international business negotiations styles among Finnish generation Z members. Even though this research only scratches the surface of generation Z international business negotiation styles, an important finding is that the generation Z has different negotiation style than the previous ones. That supports the existing theories related to generations or culture.

6.2 Managerial implications

Soon the generation Z will enter to workplaces in the societies worldwide. Their behaviours and expectations of working life are different from the expectations of the previous generations. The findings of this study will help the managers from the older generations to get a better understanding of Finnish youngsters negotiation style. In order to lead the youngsters to their best possible performance in the companies and organisations the older managers need to become well prepared to work with generation Z and understand their mindset.

Misunderstandings of culture and behaviours are primary sources of conflicts especially at the international level. This study will help managers to provide guidance to cultural differences if necessary. From the focus of this study, global business perspective, monitoring, studying and coaching generation Z is needed in order to ensure their success in negotiations at international level.

6.3 Limitations of the study

Despite the fact that the goal of this research was to investigate and capture the most promising areas of research relevant to the subject and the field of international business negotiations, certain aspects of the research area were limited. For instance, this study aimed to study the Finnish generations international business negotiation style with a focus on the youngest generation. However, as the topic is new, there was a lack of secondary data. It was challenging to find adequate and suitable literature because there was no previous research of the topic. Also, the sample size was small due to the lack of time and resources. The survey was only designed in English. That may have created a challenge for correct understanding of it. Even though Finns do speak English well the survey in Finnish language would have brought more answers. The response rate among the generation Z was only 14.5%. The survey was sent to 200 students. Assumably, it would have been easier for them to answer in Finnish.

6.4 Suggestions for future research

Based on the limitations discussed previously, numerous useful suggestions for future research that address this study's limitations can be made. Due to the novelty of the subject several suggestions are recommended: One could deepen the research by involving more members of the Finnish generations Z and thereby collecting a bigger sample with bigger data. Secondly, comparing Finnish generation Z with other members of the same generation in countries that Finland does international business with would

bring more detailed, useful information of the cultural differences between the “global generation” Z.

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Appendices

Appendix 1. Research questionnaire



University of Vaasa
FINLAND

 Mandatory fields are marked with an asterisk (*) and must be filled in to complete the form.

THE FINNISH STYLE OF INTERNATIONAL BUSINESS NEGOTIATION AND THE
IMPACT OF

GENERATION X, Y AND Z

SURVEY QUESTIONNAIRE

SECTION A. BACKGROUND INFORMATION

1. Your age?

- a) 25 or under
- b) 26-40
- c) 41-55
- d) 56-70
- e) 71 or more

2. Your gender?

- a) Male
- b) Female
- c) Other

3. Your nationality?

4. Do you have work experience (including summer jobs, student jobs, part-time jobs)?

- a) No
- b) 1 year or less
- c) 1-3 years
- d) 3-5 years
- e) 5-7 years
- f) More than 7 years

5. Please indicate the degree you are studying at the moment?

- a) Bachelor's degree
- b) Master's degree
- c) Doctorate degree

6. Have you ever lived outside your home country (at least more than 5 months)?

- a) No
- b) 1 year or less
- c) 1-3 years
- d) 3-5 years
- e) 5-7 years

f) More than 7 years

7. If you have lived outside your home country, which country/countries did you live in?

SECTION B. COMPANY BACKGROUND INFORMATION

8. Name of your university?

9. Ownership of your university?

a) State-owned

b) Private-owned

c) Other

SECTION C. NEGOTIATION BEHAVIOR

10. Please indicate the number of business negotiations you have participated in during the last two years?

a) None

- b) Under 10
- c) 11-50 times
- d) 51-90 times
- e) 91-130 times
- f) Over 130 times

11. If you have do not have international business negotiation experience fill the section A from the following. However, if you do have international business negotiation experience fill the section B from the following *

- Section A
- Section B

12. Imagine that you are negotiating a international/business deal for your company (issues included in the negotiation process may be related to prices, time schedules, payment terms, ownership shares, etc.). Please answer the following questions with regard to how you prefer to handle the negotiation tasks and the negotiation process itself.

Please indicate the degree to which you agree or disagree with the following statements:

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
12 a) Developing a relationship to create trust with the negotiation partner has higher priority for me than focusing solely at the task to attain an agreement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 b) In my opinion, the potential agreement in the end of a negotiation process is not a single deal. It can rather be seen as a first step towards a long-term relationship between me and the negotiation partner.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
12 c) For me the written contract at the end of the negotiations is obligatory. Subsequent requests for changes by the negotiation partner are considered untrustworthy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 d) During the negotiations I primarily focus on achieving my own company's interests. Even when it was at the expense of my negotiation partner.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 e) Within the negotiations I cooperate with the partner to reach fair and beneficial solutions for both parties instead of solely trying to maximize my own payoffs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 f) During the discussions I focus primarily on business matters instead of focusing on personal and family matters.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 g) While evaluating my counterpart's offer, I prefer to communicate in a clear and explicit way by directly stating my opinions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 h) In case of disagreement I state my opinion in a direct and explicit manner instead of relying on gestures or facial expressions to convey my refusal.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 i) I expect all the parties involved in the negotiation process (including myself) to be punctual.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 j) During the negotiations I prefer to strictly follow the precise time schedules set for the negotiations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 k) During the negotiations I prefer to form my arguments based on facts rather than arguing based on feelings and stories.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12 l) I prefer to hide my emotions like anger or happiness during the negotiations because I think it is not appropriate to express emotions overly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

- d) Distributer
- e) Alliance partner
- f) Licensor
- g) Licensee
- h) Other (please specify)

14. What was the nationality of your partner?

15. How many years of business experience have you had with your negotiation partner?

- a) No previous experience
- b) 1 year or less
- c) 1-4 years
- d) 4-7 years
- e) 7-10 years
- f) More

16. Please indicate the degree to which you agree or disagree with the following statements.

Strongly disagree Disagree Neutral Agree Strongly agree

16a) Developing a relationship to create trust with the negotiation partner had a higher priority for me than focusing solely at the task and the attainment of an agreement.

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
16b) I did not see the potential agreement in the end of a negotiation process as a single deal. It was rather seen as a first step towards a long-term relationship between me and the negotiation partner.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16c) For me the written contract at the end of the negotiations was obligatory. Subsequent requests for changes by the negotiation partner were considered untrustworthy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16d) During the negotiations, I primarily focused on achieving my own company's interests. Even when it was at the expense of my negotiation partner.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16e) Within the negotiations, I cooperated with the partner to reach fair and beneficial solutions for both parties instead of solely trying to maximize my own pay-offs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16f) During the negotiations, I focused primarily on business matters instead of focusing more on personal and family matters.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16g) While evaluating my counterpart's offer, I preferred to communicate in a clear and explicit way by direct stating my opinions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16h) In case of disagreement I stated my opinion in a direct and explicit manner instead of relying on gestures or facial expressions to convey my refusal.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16i) I expected all the parties involved in the negotiation process (including myself) to be punctual.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16j) During the negotiations, I preferred to strictly follow the precise time schedules set for the negotiations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
16k) During the negotiations, I preferred to form my arguments based on facts rather than arguing based on feelings and stories.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16l) I preferred to hide my emotions like anger or happiness during the negotiations because I think it is inappropriate to express emotions overly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16m) I preferred to reach a negotiation agreement that was a detailed description of all the decisions agreed upon during the negotiation process instead of an agreement that was more of a statement of general principles	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16n) I preferred to negotiate the general principles that guided other decisions before negotiating specific issues that needed to be resolved.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16o) I preferred to negotiate the issues simultaneously to be able to create package solutions (that covers all the issues at once) instead of negotiating each issue separately.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16p) The decision-making process adapted by my negotiation team can be characterized as decentralized (the power to make decisions is spread across many individuals and/or organizational units) rather than centralized (the power to make decisions rested within the hands of just a few people who, typically, occupied very senior positions within the organization).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16q) During negotiations I preferred to make the first concession with the hope that partner would also make a concession in return.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Strongly disagree Disagree Neutral Agree Strongly agree

16r) During the negotiations I tried to stick to the plans that were made prior to the beginning of the negotiation process instead of being flexible and spontaneous towards sudden turnarounds.

17. Please indicate your satisfaction with the outcome of the negotiation you participated in?

- a) Very low
- b) Low
- c) High
- d) Very high

VOLUNTARY INFORMATION

18. Would you be interested in a summary report of the findings?

- a) Yes
- b) No

If Yes, please provide the contact information

19. Contact information

Name

Email

20. Contact information

First name	<input type="text"/>
Last name	<input type="text"/>
Mobile	<input type="text"/>
Email	<input type="text"/>
Year of birth	<input type="text"/>

THANK YOU FOR YOUR COOPERATION
Contacts for further information, comments and return

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