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# **Behavioral characteristics of Finnish and Spanish business negotiators**

Exploring the role of culture

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**ABSTRACT:**

International business negotiations are central to achieving successful cross-border cooperation in today's interconnected economy. Prior studies have examined cultural influences on negotiations across many European cultures, but research on Finnish and Spanish negotiation practices is limited. This study addresses the gap by investigating how culture influences the negotiation behavior of Finnish and Spanish business negotiators. The analysis is grounded in Salacuse's (1998) framework of ten negotiation elements and Hofstede's (1980, 2001) cultural dimensions. A quantitative research approach was applied using a semi-structured questionnaire that was distributed to Finnish and Spanish business negotiators. The sample consisted of 12 Finnish and 10 Spanish respondents. The data analysis was conducted through descriptive comparison of behavioral elements. The findings indicate both expected and unexpected results. Finnish negotiators showed tendencies toward direct communication, punctuality, consensus-oriented decision-making, and detailed agreements. Spanish negotiators showed tendencies toward relationship-building, more open emotional expression, hierarchical team structures, and flexible agreements. However, in some areas, like in the importance of relationship goals, emotional expression, and holistic package agreements, both cultures showed more similarity than theory predicted. The difference in theory and practice suggests that industry context may partly moderate cultural effects. From a managerial perspective the study shows that cultural differences between Finnish and Spanish negotiators are reflected in areas such as communication, decision-making, and time orientation. Acknowledging the differences helps managers to build common ground and improve negotiation outcomes.

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**KEYWORDS:** International business negotiations, culture, Finnish negotiators, Spanish negotiators, negotiation behavior

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# 1 Introduction

This chapter introduces the thesis by presenting the background and motivation for the study, followed by the research question, main objective, and sub-objectives. It also outlines the delimitations of the study, defines key terms used in the thesis, summarizes relevant previous research, and explains the overall structure of the work.

## 1.1 Background of the study

Negotiation is an ongoing part of daily life, often occurring without conscious recognition. It plays a role in interactions at home, among friends, and especially in the workplace. Despite its commonness, many still view negotiation as a complex or mysterious process, with a specialized group of professionals mastering it as a core competency in their careers (Lewicki, Saunders, & Barry, 2016; Thompson, 2012).

In the last few decades, negotiation has become increasingly important in the global arena. Historical milestones such as the dissolution of the Soviet Union, the fall of the Berlin Wall, China's market liberalization, the formation of the European Union, and the implementation of NAFTA have reshaped the global economy and fueled international trade and cooperation (Bradley, 1995; Garrette & Dussauge, 1995; Drake, 1995; Shenan, 1993). These shifts have driven the growth of international cooperative alliances, which rely heavily on negotiations between firms from different cultural and institutional contexts (Ali & Shahzad, 2024).

Culture plays a central role in shaping negotiation behavior, and influences how individuals perceive trust, time, communication, hierarchy, and acceptable outcomes (Bradley, 1995; Francesco & Gold, 1998). Finnish negotiators, for example, are often described as direct communicators who favor structured approaches and win-win outcomes and prioritize long-term relationships. Spanish negotiators, on the other hand, may place more emphasis on personal connections, flexibility, and hierarchical structures. That reflects

Spain's more relationship-oriented and collectivist culture (Leadership Crossroads, n.d.; Lawants, 2025).

Several frameworks have been developed to better understand cultural influences on negotiation practices. Hofstede's cultural dimensions (1980, 2001) provide a widely recognized basis for comparing national cultures, emphasizing factors such as power distance, individualism, and uncertainty avoidance. Salacuse's (1998, 2010) negotiation model complements this by identifying specific behavioral dimensions in international negotiations, including attitudes toward risk, time sensitivity, and trust.

While these models offer valuable insights, research focusing on Finnish and Spanish negotiation practices remains limited. Much of the existing literature (Luo, 1999; Ghauri & Usunier, 2003) explores broader European or global comparisons, often overlooking the unique dynamics between these two countries. This study aims to address this gap by examining the similarities and differences in negotiation behavior between Finnish and Spanish business negotiators, contributing to a deeper understanding of cross-cultural negotiation practices in Europe.

## **1.2 Research question and objectives of the study**

The preceding discussion steers the focus of the present thesis. Accordingly, the primary objective of the present thesis is to investigate the role of culture in explaining the negotiation behavior of Finnish and Spanish business negotiators.

Accordingly, the main research question of present thesis is:

***How does culture influence the negotiation behavior of Finnish and Spanish business negotiators?***

In order to better answer the main research question, following three sub-objectives developed:

1. To understand the conceptualization, process, and behavioral characteristics/elements of business negotiations.
2. To understand the conceptualization and different dimensions of culture.
3. To empirically explore the role of culture in explaining the negotiation behavior of Finnish and Spanish business negotiators.

### **1.3 Delimitations of the study**

This paper has several delimitations, that will be pointed out in this section.

First, the data was collected from representatives of a single international company's Finnish and Spanish branches. This allowed a deep exploration of negotiation behavior, but the generalizability of findings to other companies, industries, or cultural contexts is limited (Saunders et al., 2007).

Secondly, quantitative research approach was used, specifically semi-structured questionnaire, to collect standardized responses. This approach helped in systematic comparison and analysis, but it does not capture the full nuances of individual negotiation experiences that qualitative methods could have achieved (Saunders et al., 2007; Eriksson & Kovalainen, 2008).

Thirdly, the analysis focused on selected cultural dimensions as defined by Hofstede (1982; 2001), and behavioral elements from Salacuse's (1998) negotiation model. Even being well known and established frameworks and models, these do not necessarily address all possible cultural variables or negotiation styles. Therefore, for example theories like Trompenaar's or the GLOBE framework could offer additional perspectives (Hofstede, 2006; Usunier, 2003).

Lastly, the research was conducted in English, which was not the first language of either Finnish or Spanish business negotiators that responded the questionnaire. This may have influenced the nuances of their responses (Greener, 2008).

#### 1.4 Definition of key terms

The key terms used in this thesis are defined in the table below:

**Table 1. Definitions of key terms**

Key term	Definition	Source
International business negotiation	“The process through which parties from different countries interact to reach agreements on matters of mutual interest or resolve disputes in an international setting”	Ghauri & Usunier (2003, p. 112)
Negotiation behavior	Set of actions, attitudes, and communication practices that people bring to the negotiation table. These things are shaped by cultural norms and values, and they influence how negotiators approach goals, manage relationships, handle risk, and express themselves throughout the negotiation process	Salacuse (1998)
Behavioral elements	Specific and observable aspects of a negotiator’s conduct. These include communication style, emotional expression, time sensitivity, and decision-making, and they form negotiator’s approach to negotiation.	Salacuse (1998); Hofstede, (2001)
Cultural dimensions	Broad categories developed to describe and compare values, beliefs, and behaviors shared by members of different societies. Cultural dimensions help understanding how culture influences social interactions.	Hofstede, (1982;2001)

International business negotiation process	It is a structured sequence of stages through which parties from different countries and cultural backgrounds engage to reach a mutually acceptable agreement. These stages are usually preparation, relationship building, information exchange, persuasion, agreement, and implementation, and they are all influenced by legal, cultural, and organizational factors	Ghuri (2003); Weiss, (1993)
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### 1.5 Previous studies

The key studies on the topic of this thesis are summarized below in the table 2.

**Table 2. Key studies**

Author(s)/Year	Focus of the study	Sample location	Theoretical roots	Methodology and sample size	Method of data analysis	Findings of the study
Lars Fant (2015)	Examination of mismatches in negotiation settings between Spanish and Scandinavian cultures	Spain and Scandinavia	Intercultural communication theories	Qualitative, analysis of video-recorded negotiation dialogues	Qualitative analysis	Identified divergences in communication behaviors like turn-taking and back-channeling leading to potential misinterpretations
Geert Hofstede (1982)	Developed cultural dimensions theory	50+ countries	Social psychology and cultural anthropology	Quantitative meta-analysis using IBM survey data	Statistical analysis	Defined six cultural dimensions that are foundational to all cross-cultural business studies

Jeswald Sa-lacuse (1998)	Cultural influences on 10 dimensions of negotiation behavior	Global survey	Legal theory, intercultural negotiation	Quantitative, 310 executives from 12 countries	Statistical comparisons by culture	Showed significant cultural variation across negotiation dimensions (goal, communication, time etc.)
Edward Twitchell Hall (1976)	Introducing the concept of high context vs. low context cultures, framework to understand how communication styles differ across cultures	The US, Japan, Germany, France, Arab nations	Anthropology, intercultural communication	Ethnographic and observational, no formal sample size	Interpretive and theoretical	Distinction between high context cultures (relying on implicit communication and shared understanding) and low context cultures (favoring direct and explicit messages)
Pervez N. Ghauri (2003)	Developed a framework for international business negotiations. Emphasis on cultural influences	Global	International business theory, cultural dimensions	Conceptual framework based on extensive literature review	Theoretical synthesis	Identified critical stages and factors in international negotiations. Highlighted the impact of cultural differences on negotiation processes and outcomes
Haijing Liu (2024)	Language use in Sino-American negotiations	China and the US	Intercultural communication; high vs. low context (Hall)	Qualitative discourse study	Comparative discourse analysis	Implicit (Chinese) vs. explicit (American) language styles affect outcomes

## **1.6 Structure of the study**

The thesis is organized into five chapters. It begins with introduction, where the background of the study is presented, the research question and objectives are outlined, and the key terms are defined. Also, the relevant previous studies are presented as well as the overall structure of the thesis.

In the second chapter, the theoretical foundations related to international business negotiations and cultural dimensions are reviewed. It presents models from Salacuse and Hofstede, that are used as a base to examine and explain the negotiation behaviors of Finnish and Spanish people. The chapter is concluded with a conceptual model of the study.

In the third chapter the methodological approach is outlined. The use of a quantitative research strategy is justified, and the data collection and analysis processes are described. Furthermore, the reliability and validity of the research are discussed.

In the fourth chapter the findings from the empirical data are presented, together with the demographic profiles of participants and observed behavioral characteristics in negotiations. In addition, the comparison between Finnish and Spanish negotiation behaviors is made.

In the fifth chapter the key empirical findings are discussed in relation to existing theories. Also, the study's theoretical and managerial contributions are outlined. The limitations of the research are highlighted, and directions for further research are proposed.

## **2 Literature review**

In this chapter, the literature used as a base of this study is introduced. The review begins with an overview of international business negotiation, which includes its definition, process, and behavioral characteristics. This is followed by discussion of culture as a concept. After defining culture, the Hofstede's framework is discussed and connected to international business negotiation (IBN). Finally, the chapter examines the role of culture in negotiation behavior with attention to Finnish and Spanish business negotiators, considering existing literature.

### **2.1 International business negotiations**

Negotiation is part of human beings' daily lives in informal and formal settings. In everyday life, negotiations usually take place casually with low stakes and no need for preparation. However, in business settings negotiation has higher significance. Business negotiations are typically formal processes that need careful planning, as they often involve significant financial or strategic outcomes (Ghauri & Usunier, 2003; Reynolds et al., 2003).

Within business relationships, negotiation is key for aligning interest and creating mutually beneficial agreements between parties. Being successful, negotiations often result in stronger partnerships and better long-term outcomes. This emphasizes the role of negotiations being in the center of business interactions (Ghauri & Usunier, 2003).

As global trade and cross-border collaboration have increased and expanded, negotiations between parties from different cultural and national backgrounds have become increasingly common. In international business contexts, in contrast to everyday life, negotiations are not a one-time-event, but an ongoing process that keeps evolving over time to address changing market dynamics and cultural complexities (Salacuse, 2010). Even if the importance of IBN is growing, it is still a challenging task due to various reasons: language differences, different cultural values, and different negotiation practices

between countries and cultures. This makes IBN a critical skill for companies aiming to global competitiveness (Reynolds et al., 2003).

### **2.1.1 Defining international business negotiation**

International business negotiation refers to the process by which parties from different cultural, national and organizational backgrounds engage in discussions to reach mutually acceptable agreements. Negotiations in international settings are more complex than domestic ones, as they involve additional factors as cultural diversity, legal systems, languages, and political environments (Ghauri & Usunier, 2003). A widely accepted definition by Weiss (1993, p. 269) describes it as “the deliberate interaction of two or more parties, from different countries, aimed at reaching an agreement while optimizing their respective interests”. The definition by Weiss highlights that the international business negotiations are intentional and structured interactions. It also highlights that IBNs aim to balance the interests of all parties involved.

Over the years the researches have emphasized that international negotiations are ongoing processes that evolve as relationships between parties develop and so require many rounds of communication and adaptation to reach an agreement that satisfies all parties (Salacuse, 2010).

The growing interconnectedness of global markets has elevated the role of negotiation as an important business function. Multinational corporations (MNCs), global supply chains, and cross-border collaborations rely on negotiation to build partnerships, resolve conflicts, and achieve strategic objectives (Nguyen et al. 2016; Reynolds et al., 2003; Shahzad et al. 2020). As Fang (2006) notes, the complexity of international negotiations often requires negotiators to possess not only strong interpersonal skills but also cultural intelligence. These skills enable them to navigate cultural differences effectively and build trust, which is a key component of successful international negotiations

Further, the role of trust has also been highlighted in international business negotiation research. Luo (1999) states that trust-building is a critical step aiming to overcome cultural differences, especially in long-term relationships. Salacuse (2003) emphasizes trust as well, stating that successful global negotiators must invest time in developing interpersonal relationships, as trust can often help smoothening the negotiation processes and getting mutually beneficial outcomes.

Putting these definitions together, international business negotiation is a multifaceted process, that requires strategic preparation and cultural sensitivity. As globalization continues shaping the business landscape, negotiation in international context becomes more and more important for organizations that seeks to succeed in competition.

### **2.1.2 Process of international business negotiation**

The process of international business negotiation is typically structured into distinct stages, each requiring planning and strategic execution. According to Ghauri (2003), the first stage is **preparation**, which serves as the foundation for successful negotiations. In this phase, negotiators focus on identifying their objectives, understanding the goals of the other party, and conducting thorough research on cultural, legal, and market differences. Effective preparation minimizes misunderstandings and enhances the chances of reaching mutually beneficial agreements.

The next stage is **relationship building**, which is particularly crucial in cultures that value interpersonal connections as a precursor to formal negotiations. Developing trust and rapport lays the groundwork for open communication and cooperation, especially in relationship-oriented cultures where personal ties often outweigh contractual obligations (Lewicki, Barry, & Saunders, 2016).

The third stage, **exchange of information**, involves both parties sharing their positions, interests, and priorities. The degree of transparency during this stage is significantly influenced by cultural norms. For instance, cultures with high-context communication

styles may adopt a more reserved and indirect approach, while low-context cultures favor direct and explicit communication (Hall, 1976).

**Persuasion** follows as the core phase of the negotiation process, where parties engage in discussions, debates, and bargaining to align their interests and resolve conflicts. This stage is where the influence of cultural factors becomes highly pronounced. Direct communication cultures, such as Finland, often emphasize logic and facts during persuasion, whereas indirect communication cultures, such as Spain, might employ emotional appeals or non-verbal cues (Salacuse, 1998).

Once both parties have reached a mutual understanding, they proceed to the **agreement** stage, where the terms are formalized. Cultural preferences play a significant role in determining the form of the agreement. For example, cultures that prioritize precision and detail may favor highly specific agreements, while others might prefer broader, principle-based terms that allow for flexibility (Salacuse, 1998).

The final stage is **implementation**, during which both parties work to fulfill their commitments. The success of this phase depends largely on the trust and goodwill established in earlier stages. Effective implementation requires ongoing communication and collaboration to address any issues that may arise, ensuring the negotiated outcomes are achieved (Ghauri, 2003).

International business negotiations follow a structured process but are shaped by cultural, legal, and organizational factors. Negotiators who understand these factors can more effectively handle cross-cultural challenges and achieve successful results.

### **2.1.3 Behavioral characteristics of international business negotiations – Salacuse model**

Salacuse's model (1998) outlines ten dimensions of negotiation behavior, emphasizing the cultural influences on each aspect of the negotiation process. These dimensions are

designed to help negotiators understand and adapt to the diverse styles faced in cross-cultural situations.

**Goal: Contract or relationship**

Negotiators differ in their ultimate objectives, which can be either forming a relationship or finalizing a contract. Cultures like the United States typically prioritize contracts, viewing them as binding agreements that govern interactions (Salacuse, 1998). In contrast, relationship-oriented cultures, such as those in parts of Asia and Latin America, emphasize building trust and rapport, where the relationship itself is the essence of the agreement.

In the Finnish context, the contract-oriented approach is prevalent, reflecting a task-focused culture. Spanish negotiators, on the other hand, often value relationship, aligning with their collectivist tendencies and interpersonal focus (Katz, 2006).

**Negotiation attitude: win/win or win/lose**

Salacuse (1998) identifies two primary negotiation attitudes: collaborative (win-win) and competitive (win-lose). Win-win negotiators see negotiation as a problem-solving process, aiming for mutual benefit. Win-lose negotiators perceive it as a zero-sum game, where one party's gain is the other's loss.

The survey conducted by Salacuse revealed significant cultural variations, with Spanish negotiators showing a greater tendency toward win-lose attitudes (36.8%) compared to collaborative approaches (Salacuse, 1998). Finnish negotiators typically lean towards win-win attitudes, favoring equitable and cooperative solutions.

**Personal style: informal or formal**

Personal style shows how negotiators interact with counterparts. Salacuse (1998) notes that formal styles are marked by adherence to protocols and hierarchical titles, while informal styles encourage familiarity and casual interactions. Finnish negotiators often

lean toward an informal style, which minimizes hierarchical barriers and emphasizes equality. Spanish negotiators may lean toward a more formal style initially but become informal as relationships develop, reflecting their adaptable social norms.

**Communication: direct or indirect**

Communication styles significantly influence negotiation outcomes. Direct communicators prioritize clarity and straightforwardness, often found in low-context cultures like Finland. Indirect communicators, such as Spaniards, rely on non-verbal cues, implied meanings, and contextual understanding (Salacuse, 1998).

**Sensitivity to time**

Time sensitivity pertains to how negotiators perceive punctuality and deadlines. Finnish negotiators exhibit high time sensitivity, aligning with their emphasis on efficiency and structure. Conversely, Spanish negotiators often display lower time sensitivity, allowing for extended discussions and a more relaxed approach to deadlines (Salacuse, 1998).

**Emotionalism**

Emotionalism refers to the extent to which negotiators express emotions during the process. Salacuse (1998) found significant differences, with Latin American and Spanish negotiators exhibiting higher emotionalism, while Finnish negotiators maintain a reserved and composed demeanor.

**Form of agreement: general or specific**

Cultures differ in the specificity of agreements. Salacuse (1998) highlights that detailed, specific contracts are favored in cultures like Finland, where precision reduces ambiguity. General agreements, focusing on principles rather than details, are preferred in relationship-oriented cultures like Spain.

**Building agreement: bottom up or top down**

Agreement building can start with specific details (bottom-up) or overarching principles (top-down). Finnish negotiators prefer the bottom-up approach, systematically addressing individual issues. Spanish negotiators may lean toward top-down strategies, emphasizing broader agreements first (Salacuse, 1998).

**Team organization: one leader or group consensus**

Team organization in negotiations varies between centralized (one leader) and decentralized (group consensus) approaches. Finnish negotiators, valuing equality, often favor consensus-based decision-making. Spanish teams may centralize decision-making, reflecting higher power distance (Salacuse, 1998).

**Risk taking**

Risk tolerance influences decisions and strategies in negotiations. Finnish negotiators demonstrate moderate risk-taking, balancing caution with innovation. Spanish negotiators, reflecting higher uncertainty avoidance, may exhibit lower risk tolerance (Salacuse, 1998).

**2.2 Culture**

Culture is a central concept in international business research. It shapes how individuals think, behave, and interact in professional settings. It can be understood as a system of shared values, beliefs, norms, and practices that influence perceptions and decision-making within society (Linton, 1945; White, 1959).

Culture has been widely studied as a key factor in cross-border business activities, because it affects communication, negotiation strategies, and relationship-building (Hofstede, 1980; Usunier, 2003). Over the years, several theoretical frameworks have been developed to conceptualize and measure the differences between cultures, with Hofstede's cultural dimensions becoming one of the most widely used approaches in international business studies (Hofstede, 1980, 2001).

In this section the concept of culture is introduced, Hofstede's framework is explored, and its relevance to the topic of the study is established.

### **2.2.1 Defining culture**

Hofstede (1982, p. 21) defines culture as "the collective programming of the mind that distinguishes the members of one group or category of people from another." It serves as a framework through which individuals interpret their environment and interactions, influencing communication, decision-making, and negotiation styles. Salacuse (1998, p. 222) further elaborates that culture operates as a "silent language," shaping expectations and guiding interpersonal dynamics in negotiations.

In the context of international business, culture affects how parties approach goals, resolve conflicts, and communicate. Researchers have highlighted its importance in negotiations, noting that differences in cultural values can lead to misunderstandings or synergy, depending on the negotiators' adaptability (Ghauri & Usunier, 2003, p. 59). Thus, understanding cultural dimensions is essential for navigating cross-cultural negotiations effectively.

### **2.2.2 Hofstede's framework of national culture**

Geert Hofstede's cultural dimensions framework (1982; 2001) is one of the most widely used models for analyzing cultural differences. It identifies four primary dimensions that are power distance, individualism, masculinity, and uncertainty avoidance. They shape national cultures and influence behaviors, including negotiation styles.

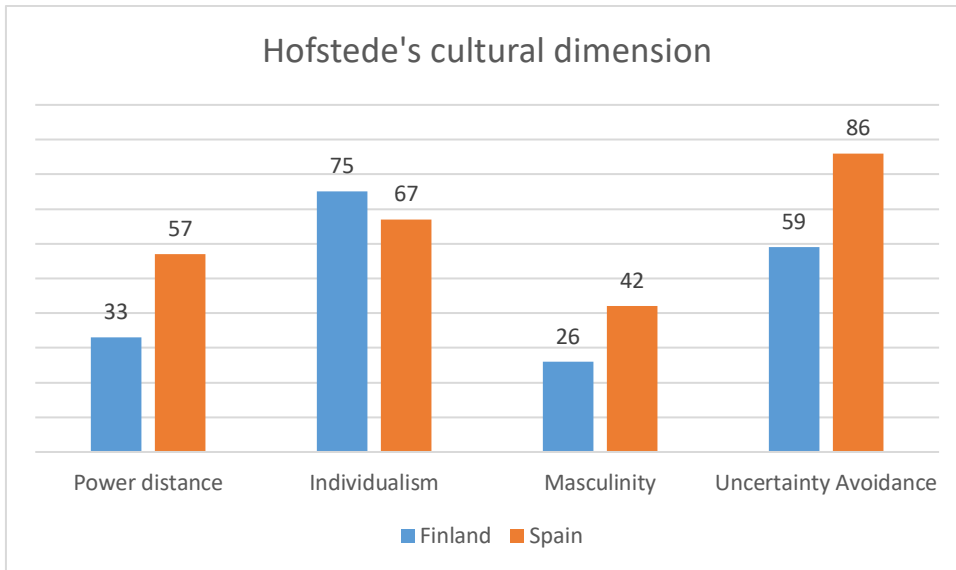
Power distance measures the extent to which less powerful members of a society accept and expect power to be distributed unequally. In high-power distance cultures, such as Spain, hierarchical structures are respected, and authority figures wield significant influence. This affects negotiations by emphasizing the role of senior decision-makers and formal protocols (Hofstede, 2001, p. 83). In contrast, low-power distance cultures like

Finland value egalitarianism, fostering a more collaborative and participative negotiation approach.

Individualism assesses whether a culture prioritizes individual achievements over collective goals. Finland, characterized by high individualism, promotes independence and task orientation in negotiations. Negotiators may focus on clearly defined roles and outcomes (Hofstede, 1982, p. 51). Conversely, Spain's collectivist tendencies emphasize group harmony and relationships, making interpersonal rapport a critical element of successful negotiations.

Masculinity refers to the degree to which a culture values traditionally masculine traits such as competitiveness, achievement, and assertiveness. Finnish culture is relatively low in masculinity, favoring consensus-building and equality in negotiations (Hofstede, 2001, p. 118). Spanish culture, while also not excessively masculine, may exhibit greater assertiveness and emotional expressiveness during negotiations.

Uncertainty avoidance reflects a culture's tolerance for ambiguity and risk. Spain scores high on uncertainty avoidance, indicating a preference for clear rules, detailed agreements, and risk mitigation strategies (Hofstede, 2001, p. 161). Finnish negotiators, with moderate uncertainty avoidance, may show greater openness to flexible agreements and calculated risks.



**Figure 1. A country comparison of Finland and Spain (The Culture Factor, n.d.)**

### **2.3 Role of culture in explaining the negotiation behavior of Finnish and Spanish business negotiators**

Cultural context shapes negotiation behavior. Hofstede's (1982; 2001) cultural dimensions provide a lens through which negotiation behaviors between cultures can be compared. Finnish culture is characterized by low power distance and high individualism, which suggests the negotiation style to be task-oriented and direct. In contrast, Spain is characterized by higher power distance and by having more emphasis on relationships and emotional expressiveness, which leads negotiation behavior to be more hierarchical and relationship focused (Hofstede, 2001; Bright & Cortes, 2019).

The study by Ogliastri et al. (2023) as well as Ghauri (2003) show that national culture predicts negotiation prototypes. Ogliastri et al. (2023) identify two dominant negotiation types: monochronic/formal and polychronic/personal. These align with Finnish and Spanish behaviors. Furthermore, Ghauri (2003) state the process-side of the negotiation, and the culture is embedded in the steps of the process, such as relationship building and information exchange. For instance, Finnish negotiators may move quickly to

substantive issues, whereas Spanish negotiators need more time building interpersonal trust before making the step. Further, differences in question-asking behaviors showcase cultural differences in communication. Uljin and Verweij (2000) found that Dutch and Spanish negotiators differ in how they pose questions. In their study, Dutch participants used more direct clarification tactics, whereas Spanish negotiators used more relational or rhetorical questioning styles. This aligns with broader tendencies when it comes to differences between Finnish and Spanish business cultures.

### **2.3.1 Culture and behavioral elements of Finnish and Spanish business negotiators**

In this section, the division between Finnish and Spanish negotiators.

#### **Finnish negotiators**

Finnish negotiators typically reflect a low power distance culture, meaning that they favor flat hierarchies and group participation in decision-making (Hofstede, 2001). High individualism and medium uncertainty avoidance translate into more direct communication, focusing on facts, time sensitivity, and structured agreements (Hofstede, 1980; 1982). The traits are aligned with Salacuse's (1998) negotiation dimensions, where Finnish negotiators tend toward win-win attitudes, low emotionalism, specific contracts, and a bottom-up approach to build agreement. Ghauri (2003) emphasizes that in low-context and structured cultures like Finland is, the negotiation process is linear and sequential, which emphasizes preparation, exchange of facts, persuasion, and agreement implementation. Fant (2015) adds that Finnish negotiators tend to engage in limited backchanneling, tolerate silence, and emphasize clarity. These kinds of behaviors may confuse counterparts from more interactive cultures.

#### **Spanish negotiators**

In contrast, Spanish negotiators reflect a higher power distance and more collectivist tendencies, resulting in a more hierarchical structure. Also, they rely more on senior decision-makers (Hofstede, 2001). Spanish culture also emphasizes building interpersonal relationships, emotional expressiveness, and more flexible time orientation (Ogliastri et al., 2023). In Spain, negotiators prioritize the relational phase of negotiations and are

more likely to display emotional cues, overlapping speech, and informal conversational norms (Fant, 2015). Ghauri (2003) aligns with this, emphasizing that in relationship-oriented cultures trust building and informal discussions are critical. Spanish people may prefer general agreement structures and top-down approaches, consistent with Salacuse's (1998) findings on culturally influenced elements.

### **2.3.2 Conceptual model of the study**

The conceptual model of the study is a combination of Hofstede's (e.g. 1980; 1982; 2001) cultural dimensions and Salacuse's (1998) negotiation behavior elements. The hypothesis is that national cultural dimensions like power distance, individualism, and uncertainty avoidance have an effect on key negotiation behaviors such as communication style, emotional expression, time sensitivity, and agreement-building style. These behaviors further shape negotiation outcomes, which include perceived satisfaction, trust, and contractual clarity.

Ogliastri et al. (2023) show that negotiators from different countries tend to fall into distinct and predictable style prototypes based on their national culture, and therefore it provides empirical support that cultural traits influence negotiation behavior. Ghauri's (2003) negotiation process framework supports the idea that culture shapes how negotiators move through preparation, relationship building, and agreement implementation. Fant (2015) further gives detailed information of how broader cultural traits manifest in actual behavior, and how mismatches in interactional expectations can lead to inefficiencies or conflict during cross-cultural negotiations. Based on conventional wisdom and prior available evidence, the negotiation behavior favored by both cultures when negotiating with counterparts is summarized in below table 3.

**Table 3.** Conceptual framework of the study

<b>Hofstede's dimensions</b>	<b>Finland</b>	<b>Spain</b>
Power distance	Low (egalitarian)	Moderate-high (hierarchical)
Individualism	High (task-oriented)	Moderate (relationship-oriented)
Masculinity vs femininity	Low	High
Uncertainty avoidance	Moderate	High
<b>Salacuse's model</b>	<b>Finland</b>	<b>Spain</b>
Goal	Contract	Relationship
Negotiation attitude	Win-win	Win-lose
Personal style	Informal	Formal/informal
Communication	Direct, factual	Indirect, expressive
Time sensitivity	Structured, linear	Flexible, relational
Emotionalism	Low	High
Form of agreement	Specific, detailed	General, principle-based
Agreement building	Bottom-up	Centralized
Risk taking	Moderate high	low

### **3 Research Methodology**

In this chapter, the methodological choices and research design used in the study are presented. First, the research approach is explained. There the deductive reasoning behind testing established theories in the Finnish and Spanish contexts is outlined. Second, the chosen research method is presented, followed by data collection method, sampling decisions, questionnaire design, and the process of gathering responses. Finally, the chapter discusses research credibility through validity and reliability.

#### **3.1 Deductive approach**

Deductive research approach was chosen for the study, as it is commonly used to test existing theories or frameworks in a specific context (Bryman, 2016; Saunders, Lewis, & Thornhill, 2019). Deduction involves moving from general theories to observations. This study is started with Hofstede's dimensions of national culture (1982, 2001) and Salasue's (1998) negotiation model, and those are then tested to Finnish and Spanish business negotiators' behavior. The approach helps evaluate if these theoretical frameworks accurately explain negotiation practices in Finland and Spain. The deductive process also supports objective reasoning and systematic analysis and therefore increases the research's reliability.

#### **3.2 Quantitative research method**

A quantitative method was chosen for the thesis. Quantitative research enables collecting numerical data that can be used to quantify patterns, measure relationships and identify statistically significant differences between groups (Creswell, 2014, pp. 155-157).

The point is to systematically examine and compare the behavioral characteristics of Finnish and Spanish business negotiators, in a way that it is possible to do an objective comparison between the two cultural groups. Quantitative research relies on standardized data collection tools, which add reliability and make studies easier to replicate.

Quantitative approach is particularly useful when the goal is to examine patterns and relationships rather than focus on detailed and subjective experiences (Slater et al., 2024; Eriksson & Kovalainen, 2008; Farquhar, 2012).

### **3.3 Data collection**

#### **3.3.1 Data sampling**

A purposive strategy was used to select participants who have experience in business negotiations across cultural contexts and moreover in Finnish and Spanish markets. The participants were sales professionals actively involved in B2B and/or B2C negotiations in international context. This sample was chosen as it was relevant to answer to the research questions and because of its direct involvement in negotiation activities.

Diversity of perspective was secured selecting participants that are operating in different roles within a company. There were no criteria of minimum experience requirement in sales negotiations, but the participants had to understand English to allow smooth communication during the data collection process.

#### **3.3.2 Semi structured questionnaire**

The data was collected through a semi-structured questionnaire that was designed to find answers to key themes related to cultural dimensions and negotiation behavior. The questions for the survey were developed using theoretical concepts drawn from Hofstede's and Salacuse's models. Topics included attitudes toward hierarchy, time sensitivity, emotional expression, risk-taking, relationship-building, and communication preferences. The structure of the questionnaire allowed respondents to elaborate on their experiences and perceptions, which made it possible to align responses with cultural dimensions. It consisted of 29 questions. The questions 1-5 gathered background information about the respondents, while questions 6 to 8 focused on the company's profile. The questions 9 to 29 explored international business-related themes. In particular, questions 11 to 29 focused on identifying which negotiation elements/behavior and

tactics the respondents preferred. These questions were based on the negotiation dimensions by Salacuse (1998), and the cultural dimensions by Hofstede, (e.g. 1980). The concepts were drawn into statements to which respondents indicated their level of agreement or disagreement.

### **3.3.3 Data gathering process and responses**

The target was to get at least 10 respondents from each country. The questionnaire was sent as a link via email to 22 Finnish, and 22 Spanish negotiators. Bryman (2016) states that self-administered questionnaires are generally less time-consuming than interviews, and they also allow better anonymity and therefore more honest responses. The questionnaire and all the communication with respondents was only in English, and not translated into Finnish nor Spanish, making an assumption that everybody receiving the information would understand it.

The deadline was sent in 9<sup>th</sup> of July to the potential respondents, and the deadline was set to be 17<sup>th</sup> of July, so one week was given time to response. In three days, the survey was answered by three Spanish respondents and six Finnish respondents, and therefore a reminder was sent to remaining respondents. The need for 10 respondents from each side was mentioned, still highlighting that responding was voluntary. The 12 responses from Finnish side and 10 responses from the Spanish side was achieved in 18<sup>th</sup> of July, which was one day after the set deadline.

## **3.4 Research credibility**

Saunders et al. (2007) argue that even if absolute certainty in research outcomes is hard to find, design choices can help minimizing errors. Important in assessing research credibility is to assess its validity and reliability, as both determine if the study's findings are meaningful or trustworthy.

### **3.4.1 Validity**

Validity tells whether the study truly measures its intended concepts (Saunders et al., 2007, p. 150). Validity can be divided into internal, external, construct, and face validities. Internal validity is about making sure that the results truly reflect the cause-and-effect relationships rather than just issues in how the study was designed (Cobern & Adams, 2020). In this study, the questionnaire was designed in a way that the questions were linked to used theories by Salacuse and Hofstede and tactics by Graham and Angelmar. That helps making sure that conclusions about cause and effect are based on established ideas.

External validity is about measuring if the findings can be applied outside the specific setting of the study (Cobern & Adams, 2020). External validity can be risked in this study, as the questionnaire had a limited amount, 22 respondents in total, 10 of them being Spaniards and 12 Finnish. Also, all the respondents worked in the energy sector. However, the way the questions were designed to reflect real-life negotiation experiences adds some confidence that the results could be relevant in other sectors as well.

Construct validity looks at whether the survey actually measures the concepts it is supposed to (Cobern & Adams, 2020). In this study, the questions had been tested similarly in previous master's thesis (Maxhuni, 2021), which helps reviewing that the questionnaire measures the concepts in a relevant way.

### **3.4.2 Reliability**

Cobern & Adams (2020) states that reliability refers to the study's consistency, and if repeating the procedures under similar conditions will give similar findings. To achieve greater reliability, some procedures can be made, such as standardized instrument design, anonymity of responses, and controlled administration (Saunders et al., 2007; Cobern & Adams, 2020). When it comes to standardized instrument design in this study, the same questionnaire format, phrasing, and administration was used for all respondents, which

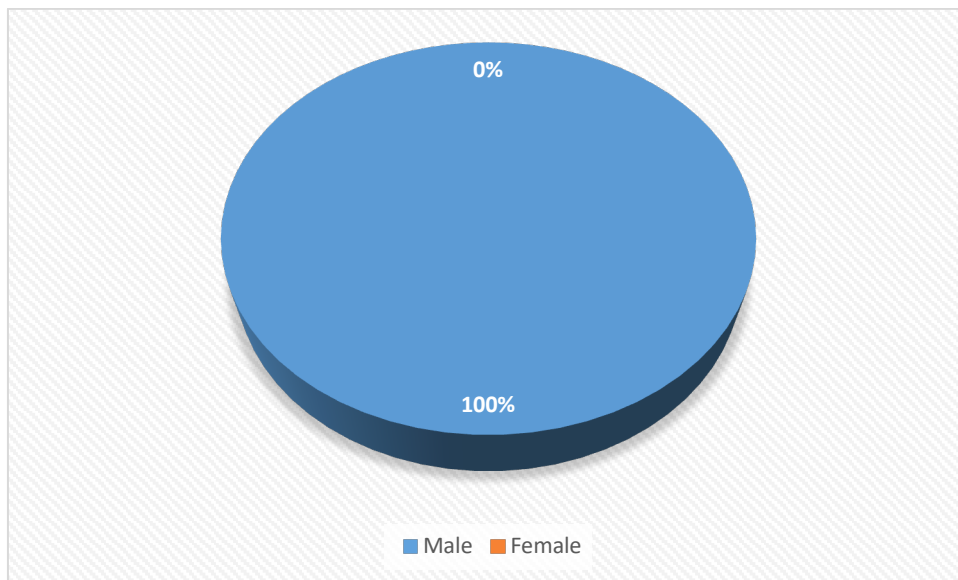
minimize inconsistencies in delivery. Also, the questionnaire was completely anonymous, which leads to greater honesty in responses. Lastly, sending the questionnaire was controlled; it was sent via email to all the respondents at the same time and with the same cover letter, instructions, and deadline.

## 4 Empirical findings

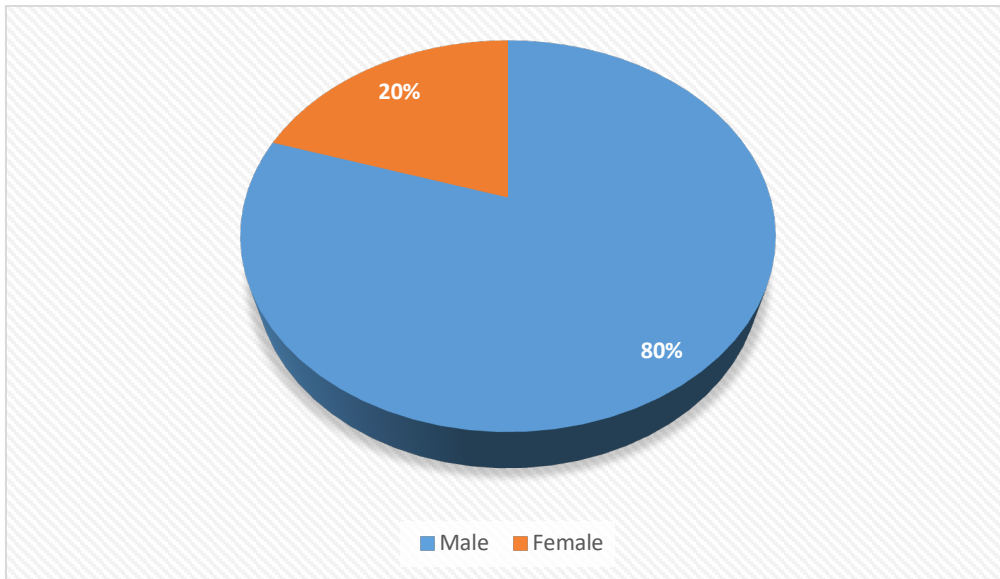
All together the survey was responded by 22 respondents of which 10 were Spaniards and 12 Finnish, all had had experience of international business negotiation(s). In this chapter the questionnaire results will be discussed.

### 4.1 Demographic characteristics of Finnish and Spanish negotiators

The study involves 12 Finnish negotiators, all of them being male. In Spanish side, out of 10 respondents eight (80 %) were male and two (20 %) were female.



**Figure 2. Gender distribution of Finnish respondents**



**Figure 3. Gender distribution of Spanish respondents**

In Finland the average age was 27.5 years, the youngest respondent being 20 years old and oldest 41 years old. Within Spanish respondents, the average age was 30 years, varying from 24 years to 36 years.

In work experience there was a big variation within Finnish respondents. The longest work experience in a company was nine years and the shortest three months. In average, the work experience in the company was 3.47 years in Finnish side. With Spanish participants, the variation went from four months to five years, 1.73 years being the average. Despite the short work experience of some respondents, all of them has enough experience of IBNs, as they work in sales positions in a company that has many of those for all the staff.

#### **4.2 Findings related to behavior elements of Finnish negotiators**

In this section the responses to the questions regarding behavioral elements given by the Finnish negotiators will be discussed.

The tenth question (Q10) was related to negotiation goal. The mean of Finnish respondents was 3.67, meaning that they value relationship-building, but keep the emphasis task-oriented in line with Salacuse's (1998) contract-focused goal orientation.

The questions 11 (Q11) and 13 (Q13) were related to attitude. The mean for Q11 was 3.17 and 4.08 for Q13, which suggests collaborative mindset, and that Finns favor win-win outcomes. That validates the Salacuse's classification for Finns being cooperative negotiators.

The question 12 (Q12) and the question 18 (Q18) are linked. The Q12 measured the negotiation goal, and the Q18 the form of agreement. Finland scored 4.30 in Q12 meaning that written contract is highly preferred at the end of the negotiation. In Q18 Finland scored 3.67, meaning that it is preferred to have detailed description of all the decisions agreed during negotiation, although some unexpected changes will not be that harmful. These scores are an indication of low-context and uncertainty-averse culture.

The 14<sup>th</sup> question was related to personal style. The mean of Finnish respondents was 3.25, which was a moderate result. A slight preference in addressing themselves in a formal way during negotiation was pointed out.

The question 15 (Q15) measured the communication style. The mean of Finnish respondents was 3.83, which shows that they prefer direct and explicit expression. This aligns with Finland's low-context cultural tendencies.

Time sensitivity was measured in 16<sup>th</sup> question (Q16). The mean of Finnish responses was 3.92, which means their orientation is structured and schedule-respecting.

The 17<sup>th</sup> question (Q17) was related to emotional expression. The Finns scored 2.50, which means that Finns do not tend to express emotions during negotiation. In this context, it aligns with Finnish cultural values of composure and rational negotiation.

The 19<sup>th</sup> question measured the agreement building preference. The Finns scored 4.17 as mean, meaning a strong preference towards negotiating as a package was noted. This may reflect a strategic effort to optimize deals holistically, or that the item that many respondents are negotiating about is for example some system installed, like solar panel system or a heat pump as they all worked in an energy sector.

The 20<sup>th</sup> question (Q20) was related to team organization. The mean 3.17 is a bit inclined towards shared decision-making. This would be in line with Finland's low power distance culture where group consensus is aimed.

Lastly, the question 21 (Q21) was related to risk-taking. Finns' mean was 3.25, which implies moderate flexibility. Also, this possibly indicates calculated openness to spontaneous turns.

Altogether, the Finnish respondents demonstrated that their behavioral traits align with the theoretical expectations Hofstede's low power distance and high individualism. Also, the expectation of low emotionalism and direct communication derived from Salacuse (1998) aligned with the responses.

### **4.3 Findings related to behavior elements of Spanish negotiators**

In this section the responses to the questions regarding behavioral elements given by the Spanish negotiators will be discussed.

The mean of Spanish negotiators in Q10 was 3.7, which confirms relational orientation that is aligned with collectivist values.

When it comes to Q11 and Q13 that both measured attitude, Spanish scored 3.10 and respectively 3.80. The Q11 score suggests a moderate focus on own interests, still without being overly competitive. Then again, 3.80 in Q13 indicates cooperative attitude, still with more emphasis on asserting own interests.

The Q12 was related to negotiation goal and the Q18 to form of agreement. Spanish respondents scored 4.80 in Q12, suggesting that for them it is highly important to have written contract and therefore the possible deal is legally formal and clear. The Q12 response supports Hofstede's high uncertainty avoidance dimension for Spaniards. Further, the mean for Q18 was 3.10, which conversely indicates less emphasis on detail and possibly favoring more flexible agreements.

The Q14 regarding the formal addressing, the Spanish mean was 3.25. The result is moderate preference toward addressing themselves in a formal way during negotiation.

For Q19 Spanish respondents' mean was 3.40, referring to moderate preference on negotiating as a package. As well as Finnish respondents, all the Spanish respondents worked in energy sector, which can possibly mean that the item to sell and negotiate comes in a package.

In Q20 the mean for Spaniards was 4.10 that suggests a preference for team consensus in decision making. Therefore Spanish respondents value participative decision-making processes where the whole team is involved rather than one person making decisions on behalf of everyone.

Lastly, in Q21 the mean for Spanish respondents was 3.10 indicating moderate flexibility with unforeseen turns.

Altogether, for Spanish negotiators personal relationships are important. They value emotional expression and prefer holistic negotiation tactics. They aim to have formal contracts as outcomes but are open to express emotions in the negotiation process. These characteristics reflect high-context tendencies and deep cultural roots, especially when it comes to uncertainty avoidance and consensus-oriented decision-making.

#### 4.4 Comparing the behavior elements of Finnish and Spanish business negotiators

In this section the behavioral elements of Finnish and Spanish negotiators is discussed based on the responses to Q10-Q21. As mentioned, each question was related to a specific element of negotiation behavior and cultural dimension. Asking the same questions from negotiators from both cultures enables a comparison of how national culture affects negotiation tendencies.

Q10 focused on negotiation goal, which means that it measures if the culture is task oriented or more toward relationship-building. Finnish respondents had a mean of 3.67 and Spanish respondents 3.70, which showcases a similarity between the cultures. Both valued relationship-building, although Spanish mean was slightly higher, and therefore they have marginally stronger relational orientation. That is typical for collectivist cultural traits.

**Table 4. Distribution of negotiation goal**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	3	1	5	3
Spain / 10	1	1	-	6	2

Q11 measured attitude, and more specifically the extend to which negotiators prioritize their own company's interest. The mean was 3.17 for Finnish, and 3.10 for Spanish respondents. Both scores are close to moderate, suggesting that neither culture demonstrated extreme competitiveness, and maintained in the middle, slightly higher in more individualistic Finland and slightly lower in semi-collectivist Spain.

**Table 5. Distribution of attitude**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	3	4	5	-
Spain / 10	-	2	6	1	1

In Q12, the orientation to negotiation goal was measured, specifically, the importance of having a written contract at the end of the negotiation. Spanish respondents scored 4.80 which suggests that it is highly important for them to have a written contract. This supports Hofstede's high uncertainty avoidance for Spaniards. Finnish respondents scored 4.30. Therefore Finnish respondents value written contracts as well, although Spanish preference is even stronger.

**Table 6. Distribution of importance of written contract**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	1	2	1	8
Spain / 10	-	-	-	2	8

Q13 was related to attitude together with Q11. Now the perspective was more in cooperation. The mean score for Finnish respondents was 4.08, which was a little higher than Spanish mean 3.80. Therefore, Finnish negotiators have stronger preference for win-win solutions and mutual gains than Spanish negotiators. Spanish negotiators are still cooperative, but balance collaboration with more assertiveness in protecting their own interests.

**Table 7 Distribution of attitude - mutual goal vs. own interest**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	-	3	5	4
Spain / 10	-	2	-	6	2

Q14 examined the personal style, and whether negotiator like to address themselves in a formal way during negotiation. Finns scored 3.25 as a mean, and Spaniards 3.20. This shows that both cultures seem to adopt a moderately formal tone and possibly adjust depending on if the context is situational or hierarchical.

**Table 8. Distribution of personal style**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	1	2	3	5	1
Spain / 10	-	-	8	2	-

In Q15, which was related to communication style, Finns scored 3.83, which suggests a strong preference for direct and explicit communications. Conversely, Spaniards scored 2.90, which indicates that they are more towards indirect communication. This result supports the distinction between Finland's low-context and Spain's higher-context communication cultures.

**Table 9. Distribution of communication style**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	1	2	7	2
Spain / 10	-	5	2	2	1

The Q16 was related to time sensitivity. Finnish respondents had a mean of 3.92, higher than Spanish respondents' mean 3.20. This leads to the conclusion that Finnish negotiators' preference is being punctual, time efficient, and structured with schedules. Spaniards showed more flexibility with time.

**Table 10. Distribution of time sensitivity**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	1	-	10	1
Spain / 10	-	2	5	2	1

In Q17 emotional expression during negotiation was assessed. Spaniards scored 2.10 and Finns 2.50. Both cultures' responses were accepting emotions during negotiations, but Spaniards were even more comfortable with it. This aligns with Mediterranean culture where emotion is viewed as a valid part of interpersonal communication. Finnish culture conversely has emotionally reserved tendencies, which is why it was surprising that Finnish respondents were moderately comfortable with emotional expression.

**Table 11. Distribution of emotionalism**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	2	5	3	1	1
Spain / 10	1	7	2	-	-

Q18 assessed the form of agreement. The Finnish mean was 3.67, showing that they prefer detailed agreements and documenting decisions with clarity. Spanish score was lower, 3.10, which shows more tolerance with principle-based and flexible agreements. This tells that Spaniards have more comfort with ambiguity whereas Finns desire clarity.

**Table 12. Distribution of form of agreement**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	2	5	3	1	1
Spain / 10	-	3	4	2	1

Q19 was related to agreement building and the preference of agreement-building styles. Finnish negotiators scored high 4.17 which shows that they have a clear preference of

negotiating issues as a whole package. Spanish respondents' mean was 3.40, which also leaned toward package approach, but not as strongly as Finns. The Finnish preference may be because of the nature of the company and the respondents. It might be more common in Finland that the negotiators closes the deal as a package, whereas in Spain it might be that the negotiation is conducted for example via phone, and then a separate technical person does a site inspection and handles the rest. That would explain the difference in agreement building preference.

**Table 13. Distribution of building an agreement**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	1	2	3	6
Spain / 10	-	1	4	5	-

Q20 measured the team organization. Finns' mean was 3.17 which suggests a bit egalitarian and consensus-based decision-making. Spaniards scored 4.10 which indicates strong preference for team consensus in decision making. This finding does not align with Hofstede's dimension of power distance, where Spaniards are typically characterized by higher power distance than Finns. The result suggests that in negotiation settings Spaniards may lean more toward participative decision-making even though their broader culture is seen as more hierarchical.

**Table 14. Distribution of team organization**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland / 12	-	4	3	4	1
Spain / 10	-	-	-	9	1

Lastly, Q21 addressed risk-taking and flexibility, where Finnish respondents scored 3.25 and Spanish respondents 3.10. These mean that both cultures are somewhat structured, but still capable of adapting to unforeseen changes during negotiations.

**Table 15. Distribution of risk-taking**

Country	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Finland	-	4	3	3	2
Spain	1	1	-	8	-

All in all, Finns tend to be more structured and organized in their approach by clear and direct communication and less emotion. They generally like cooperative work style and prefer well documented agreements. The traits that Finnish respondents showed in the questionnaire reflect to a culture that values individual responsibility, equality in decision-making, and a clear communication style. Spanish respondents liked to focus more on building relationships and often take a more formal and expressive approach. They were more open to emotions in discussions and leaned strongly toward team consensus in decision-making. They also emphasized detailed contracts even if the agreement style was more flexible, which fits Spain's cultural tendency to avoid uncertainty.

## 5 Discussion and conclusions

In this chapter the empirical findings are discussed and positioned within academic theories. Also, managerial implications and direction for future research are given. Finally, the limitations of the study are discussed.

### 5.1 Discussion about key empirical findings

The aim of the study was to explore the role of culture in explaining the negotiation behavior/tendencies of Finnish and Spanish business negotiators. The main objective was to investigate and answer the research question: "How does culture influence the negotiation behavior of Finnish and Spanish business negotiators?"

According to Hofstede's (1982; 2001) framework, Finland and Spain differ in many cultural dimensions. Finland scores low on power distance, high on individualism, and moderate on uncertainty avoidance. Spain scores moderately to high on power distance, moderately on individualism, and high on uncertainty avoidance. In masculinity, Finland scores relatively low whereas Spain scores higher, which suggests a more competitive and assertive tendency in Spanish culture. These cultural differences would suggest that Finnish negotiators are likely to favor egalitarian, task-oriented, and direct negotiation styles, and Spanish negotiators would be more toward hierarchical, relationship-oriented and expressive approaches.

The literature review suggested that Finnish negotiators typically aim for contract-focused goals, and value efficiency and punctuality (Salacuse, 1998; Ghauri, 2003). They prefer bottom-up agreement building that reflects to structured and task-oriented approach (Salacuse, 1998). The literature review revealed that Spanish negotiators were expected to prioritize relationship-building (Katz, 2006; Ghauri, 2003), show higher emotional expressions in communication (Salacuse, 1998; Fant, 2015), value top-down approach (Salacuse, 1998), and be flexible with time (Salacuse, 1998; Ogliastri et al., 2023). Further, the anticipation was that Finnish negotiators would prefer direct

communication and detailed written agreements (Salacuse, 1998; Hofstede, 1980, 2001), whereas Spanish negotiators would prefer more indirect communication and principle-based agreements (Salacuse, 1998; Hofstede, 2001).

The empirical findings partly confirm the theoretical expectations that were made. In communication style, Finnish negotiators preferred direct and explicit communication style, and Spanish negotiators were more positive with indirect and expressive style. This aligns with the expectations of Finland's low-context and Spain's higher-context communication styles. Also, there was connection between theory and practice in time sensitivity, as the empirical findings show higher score for Finnish negotiators in punctuality and structure showing that Spanish negotiators are more flexible with schedules.

Some results, however, contradicted the assumptions. The Q10 that measured negotiation goal revealed that both Finnish and Spanish negotiators valued relationship-building in a similar way, Spaniards only a little bit higher. This was surprising considering prior literature (Katz, 2006; Salacuse, 1998) shows a stronger contrast. A possible explanation could be the shared industry, energy, as it can be that in there trust-based relationships are important regardless of national culture.

Another unexpected finding was about emotional expression, Q17. Even if literature (Salacuse, 1998; Fant, 2015) suggests that Spaniards are more openly emotional and Finns more emotionally reserved, both groups showed only moderate comfort with emotional expression. Spaniards were indeed a bit more comfortable, but the difference was smaller than expected. This might be due to professional norms in B2B negotiations where expressing emotions might be seen more as a weakness and restraint of emotions as a sign of competence.

The results for form of agreement in Q18 also contradicted with the literature. As Spanish culture tends to score high in uncertainty avoidance, they valued having written contract in Q12. They still scored lower than Finns in preferring detailed agreements in Q18,

which suggest that Spaniards tolerate principal-based agreements more than the Finns. The flexibility contradicts the cultural tendency of low risk tolerance.

Q19 was about agreement building. Expectation from literature was that Finns would prefer bottom-up, and Spaniards top-down approaches. Instead, both preferred negotiating as package, Finns even more so. This may be because of shared product or service in their industry and that the offerings are typically negotiated and sold as complete systems.

Q20 regarding team orientation results were fully in line with Hofstede's framework. Finns preferred more consensus-based decision making, and Spanish negotiators more centralized and hierarchical leadership. Risk-taking (Q21) showed only small differences between the cultures, as both scored in the moderate range. This suggests that in this business context neither side likes to take extreme risks, however literature might suggest that Finns show more openness than Spaniards.

## **5.2 Managerial implications**

The findings of the research have implications for international business practice. Finnish and Spanish managers that are engaged in negotiations should recognize that cultural differences are reflected in areas like communication, decision-making, and time orientation. Spanish negotiators may have a more relational and hierarchical style and Finns more task-focused, punctual and egalitarian style. It is important for one to note these culture-related aspects in him/herself but also in the counterpart to get advantage in building a common ground in negotiations in comparison with a person without knowledge of these effects that culture has on negotiation behavior.

### 5.3 Directions for future research

The results leave a lot of room for future research. First, this study was conducted using a semi structured questionnaire for data collection. Future studies could apply mixed-methods approach and combine surveys with interviews or observation and therefore get deeper insight to the reasonings behind the choices of negotiators from these cultures. Second, all the participants of this study were from energy sector. Studying a sample from different industries could help to separate cultural effects from sector-specific effects. Third, the assumptions that were drawn based on literature and the frameworks (Hofstede, 1980; Salacuse, 1998) are theories made before digitalization. It could be studied if digitalization has merged some cultural blending in negotiation behavior. Lastly, also adding other cultures in a study would broaden the perspective.

### 5.4 Limitations

This study provides insights into the negotiation behavior of Finnish and Spanish business negotiators. Still, several limitations should be acknowledged. First, the research is based on a relatively small sample size, with only 22 respondents in total (12 Finnish and 10 Spanish). This limits the generalizability of the findings and increases the possibility that these results reflect the characteristics of this specific group rather than broader populations of Finnish and Spanish negotiators (Saunders et al., 2007).

Second, all respondents had a background in the same industry sector, energy. This may influence negotiation practices and cultural perceptions in some ways that might not be representative of other industries. Sector-specific norms, regulations, and organizational cultures may have shaped responses, and therefore the findings should be interpreted cautiously when applied outside this context (Eriksson & Kovalainen, 2008).

Third, the data was collected exclusively through a survey, which gives standardized and comparable results, but interviews or mixed-method approaches could give more depth in the responses. Surveys may also be affected by self-reporting bias, where respondents

present socially desirable answers rather than their true negotiation behaviors (Farquhar, 2012).

Fourth, the study was conducted entirely in English, that was a second language for all participants. This allowed a consistent data collection process, but it may have influenced how participants interpreted questions. Fifth, the analysis focused on Hofstede's cultural dimensions and Salacuse's negotiation model. Both of the frameworks are widely recognized and well-established, but still they may not fully capture all relevant cultural or behavioral variables. Alternative cultural frameworks, like Trompenaars' model of the GLOBE study could provide additional perspectives.

Finally, this study was cross-sectional, and it captured participants' perspectives at a single point in time. Negotiation practices and cultural dynamics can evolve over time, so longitudinal design could provide even better understanding of how negotiation strategies change in response to shifting business, more specifically international business, environments.

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