



Analysis of Cultural Differences between West and East in International Business Negotiation

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Abstract

Economic globalization brings increasing communication of economy and trading among countries, and the negotiation has been the important part of international business activity in this process. The international business negotiation is not only the communication and cooperation in the economic domain, but the communication of culture among various countries. In the process of negotiation, negotiants' idea and behavior are controlled by their own national cultures. There are large differences in thinking pattern, value view, group consciousness, negotiation style, benefit consciousness and law consciousness between western and eastern cultures, and these differences largely influence the process and result of negotiation and they are important factors we should consider in the negotiation.

Keywords: International business negotiation, Cultural difference

Economic globalization brings increasing communication of economy and trading among countries, and the negotiation has been the important part of international business activity in this process. The international business negotiation is not only the communication and cooperation in the economic domain, but the communication of culture among various countries. In the process of negotiation, negotiants' idea and behavior are controlled by their own national cultures. As a developing country, China urgently needs to abstract advanced scientific technology, management mode and trading rule of developed countries in the course of globalization economy, and has to follow the regulations and methods constituted by developed countries to large extents, and these regulations and methods are not only limited by the special rules of relative specialties, but influenced by relative cultures in the process of their productions and developments. Therefore, in the international business negotiation, these regulations and methods could not automatically replace the behavior mode of local culture and relative thinking mode and value view, and traditional research mode and expression pattern. So, we are necessary to know the culture backgrounds and differences between western countries and eastern countries, and foster strengths and circumvent weaknesses based on that, and constitute reasonable negotiation strategies, which could help us to acquire successes in international business activities.

1. Difference of thinking pattern

Thinking mode, value view and behavior rule composes the distinct character which knows one nation from another nation. As a sort of long term cultural accumulation, thinking mode exerts a subtle influence on human social lives, and it has obvious differences.

The east culture emphasizes deduction and it is accustomed to reason from common to specific, i.e. deducting common principle to specific conclusion. But west culture emphasizes induction and it is accustomed to reason from specific to common, i.e. finding out common essential of the same sort of thing from the characters of many specific things. The east culture favors comprehensive thinking, i.e. uniting various parts of the object as one entity. English and American cultures favor analysis thinking, i.e. decomposing one complete object into various composing parts and aspects from idea. The east culture emphasizes unification and gives priority to the entity of thinking, and the west culture emphasizes opposition and gives priority to the part of thinking.

Different thinking modes embody bright cultural characters, and the western thinking mode represented by American is "beeline", but the eastern thinking mode represented by Chinese is "loop". Different thinking modes will largely influence the negotiation process. Generally speaking, occidentals incline to divide the main content of negotiation into various parts and consider and analyze them one by one, and finally obtain the conclusion. But oriental emphasizes the negotiation pattern first principle then detail and they like to set up one basic principle frame firstly, and they like first discussing recapitulative proceedings, then constituting many details of negotiation, and they always arrange concrete contents in the final part of the negotiation, and they think it is propitious to future haggle. In the initial stage of the negotiation, Asian negotiation focus is out the present special business, but in the human relationship with long term cooperation, and for European and North American, the negotiation focus is in the essential content of the negotiation,

and they will directly enter into the topic after giving the time of day.

2. Difference of value view

Value view is the important composing of culture, and it dominates human idea and social behaviors.

In the business activity, western countries pursue the value view of equality and persist in the reasonable principle of justice and double-winning, which is obviously different to Chinese operators' strategy of single-winning which has the economic characters of western early market. For the business relationship, American bargainer always treat purchaser as people with same status, but oriental would represent inequality in business activities because of the influence of grading consciousness. For the time concept, people in developed countries have strong time concept because their quick work and life rhythm, and so they always cherish time in business negotiation. But in some undeveloped countries or in some countries with dense feudalism consciousness, people always pay no attention to the time, for example, the time concept in Middle East and Latin America cultures is weak, and they think time is stretch, and the time should be enjoyed. But for eastern countries, Japanese endurance in negotiation is very famous in the world, and for an ideal trade, they could wait without any complaint, and only to achieve the anticipated intension, time is not the most important factor. For the decision-making, Japanese decision procedure is very numerous, and the time is very long, but they would implement very quickly. At the same time, Japanese culture emphasizes mutual relationship, and for long term fellowship, they like to devote abundant time and expense to establish individual friendship, then they will implement business negotiation based on that. For the social consciousness, east culture emphasizes collectivism and group consciousness, and people are loyal to national authority and collective benefit, and they think it is a sort of virtue to oppress their individuality and it is the representation of selfish desire to emphasize individual benefit, but the western culture advocates self-consciousness and individual struggle, and people open out their personalities, and they thought people should pursue their own benefits, and if national benefit is on the individual benefit, the human rights will lose. In international business negotiation, Chinese emphasize the group including individuals, and negotiants always need to consider interior harmony of the collectivity, and they pay more attention to national and collective benefits than occidental, and the nation and government have large influences on decision-making of enterprise, but they responsibility consciousness is less than occidental, and they also lack independent personality and self-decision ability.

3. Difference of group consciousness

The group consciousness means belief, value and criterion possessed by most members in the group, and it reflects the attitude of group members and their cognition to mutual psychological character for the group they belong. It is formed in the group information spread and communication process.

The difference of group consciousness is the important embodiment of east and west cultural difference in the business negotiation. The businessmen in Asian countries have strong group consciousness, but the negotiants in occident countries always pay attention to individual consciousness. Taking Japan with representative east character and US with representative west character as examples, Japan possesses intensive group consciousness and development desire of group survival. The value concept and spirit tendency figured by Japanese culture take collectivism as the core. It teaches people melt their individual wills into the collective will. For the decision-making, Japanese must consult with other departments in the company before negotiation, and the items of the contract are decided through collective research, and the concrete contents in the negotiation must be transmitted back to the headquarters of the company in Japan, and various departments would pass round the contents for perusal, and the contents are available after they are recognized by the collectivity. Occidental think Japanese decision-making time is long because of group consciousness. Canada, Italy and France all advocate individualism, and US is the most representative one. US negotiant fully embodies intensive self-consciousness on the negotiation desk. Because American thinks that human is independent individual who has responsibility and rights, so everyone should exert individual enthusiasm, hold the initiative right of negotiation through his endeavor to achieve the established aim, and they regard right using and adventure are good moral characters. So US businessmen would meet many Chinese or Japanese negotiation opponents without help, and they will represent self decision-making and creation in the process of negotiation. For the negotiation style, they are full of confidence, directness, bluntness, and even haughty and aggressive characters. Because the important decisions in the negotiation are made by the people with top level, so American likes to talk with the opponent in control of the right. They regard the negotiation as competition, and they hop the result of negotiation would bring actual economic benefits for their party and bring development opportunities for their individual future.

4. Difference of negotiation style

The negotiation style means negotiants' main tolerance and style characters represented in the negotiation. The negotiation style has deep cultural brands. The culture not only decides negotiants' ethics, but influences their thinking mode and individual behavior, so negotiants with different cultural backgrounds will form different negotiation styles. For example, American possesses confident, decisive, extroverted and practical style. German always have sufficient

preparations, but they lack agility in the negotiation. Englishmen are confident, and they don't easily apologize or acknowledge the corn when they are wrong. People in North European are composed, calm and ease in the negotiation. Arabs keep open doors, and they emphasize the relationship among friends, but they lack time concept. Japanese has strong time concept, but sometimes they look fussy, and they always occur by the weak appearance to try to gain opponents' sympathy, and make them come to terms unconsciously. In the negotiation, it is very important to know well opponents' negotiation style in order to hold the direction and schedule of negotiation and exert the strategy of negotiation purposefully.

5. Difference of benefit consciousness

The benefit consciousness means human psychology of identification and pursuing for benefits, and this sort of psychology is the unification of human sensibility and sense, and it is the subjective drive headspring of human practice. The benefit consciousness runs through the whole human consciousness and instructs human behaviors.

In modern society, west and east negotiants have benefit consciousness, and they all represent certain benefit main bodies, and they all labor for their own economic benefits. However, occidental's benefit consciousness is more extensive, because the base of western society is the modern market economy which takes the market exchange and market competition as main characters, and the human relationship formed in that society mainly is benefit relationship, and occidental emphasizes the exchange of economic resources and the function of benefit mechanism. Taking Americans as an example, they always take the profit as their only intention in the business. They persist in the "principle negotiation method" in the western negotiation theory, and they would objectively face human and things. When they deal with the relationship between benefit and human feelings, they will do official business according to official principle. In the process of negotiation, they are always interested in the benefit problem with essential because they believe that there are not eternal friends but only eternal benefits. Americans like to implement pure operation communication, and the private fellowship is shallow. Even there is personal friendship, but business is business and friend is friend. For the human relationship, they like informal relationship without ceremony, and they don't like externalism, traditional limitation and prim doings. Under most situations, both sides have never met before, but if the condition is proper, they can begin to negotiate. If both sides may cooperate again, they will decide to communicate continually. They thought that good business relationship would bring good individual relationship. However, easterners' relationship consciousness is deeper. Chinese negotiants' benefit consciousness occurs late, and it is not so definite and extensive than Americans. For the mode to acquire benefit, Americans brightly point to the benefit in the negotiation, but Chinese always establish the benefit on the human relationship though circuitous mode. For the result of negotiation, American pursues maximum economic benefits, but Chinese emphasizes reputation. Because of the influence of traditional economy and confucian culture, Chinese society emphasizes the relative relationship and human relationship, and people pay attention to the feelings exchange but not the benefit exchange. Chinese very emphasizes harmonious human relationship, and they pay attention to ceremony and friendship when getting along with others. They like to celebrate some normal ceremonies to establish and solidify the friendship in social communication, and they always make friends first then do business, and look for business partners and business opportunities through relations and friends. In the negotiation, Chinese are very orthodox and good-mannered, and they try to avoid full-face frictions, and if there is difference in benefit, they won't directly reject the other side, and they thought that would harm both relationship. Humility, endurance and self-restraint are regarded as good qualities. Mutual respect and friendship is the base of trade and long-term business activity among negotiants.

6. Difference of law consciousness

The law consciousness include human idea, concept and cognition to law, and it is the thinking base that human keeps the peace consciously, evaluate their and others' behaviors, and it instructs human daily behaviors. In modern society, all business activities are implemented under the law relationship, but because of the differences of social economy and cultural backgrounds, the obvious differences exist in western and eastern law concepts. China experienced lengthy feudalism society, and we are still influencing by grading concept, officer standard and relationship consciousness up to now, so the legal system is shallow and uncompleted, which induces Chinese negotiants sometimes are accustomed to depend on the functions of human relationship, public opinion and moral or the organization to solve the problem when they face economic activities including the disposal of economic dissension, and they always consider few legal measures. In the dissension disposal, Chinese first depends on feelings before argument, and then legal measure. As for the status of law and authority, Chinese more advocates authority, and they sometimes let technical experts, trading experts and financing experts except for the lawyer to participate in the negotiation. The western society is the legal society, and the capitalism legal system has been very mature after hundreds years' development, and human legal consciousness has been rooted. To study the law, understand the lay and use the lay has been westerners' necessary qualities. So, occidentals won't waste time in feelings, and they are inclined to standardize the business activities through the law. In international business negotiation, they are required to work according to the procedure, and they claim solving the problem according to normal approach once difference and issue occur in the contract management

and continuous communication after the negotiation. Western lawyer industry is very developed, and taking US as the example, its population is only 10% of the global population, but its amount of lawyer is 70% of the global lawyer, and there are about one million lawyers in US, because they always depend on legal measure to solve the problem but not the conscience and feeling. Many corporations and individuals engage counselor and lawyers, and they are accustomed to negotiate with lawyer, and in the whole negotiation from the draw of contract item to the complement of trade, counselor and lawyer play very important roles, and when disputation and dissension occur, lawyers appear personally to solve the problem. It is the important character to ensure individual rights and perform regulated obligations by the law in western society.

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