



# Individual Differences: Culture and Style

**Dr. Connson C. Locke**



## Agenda

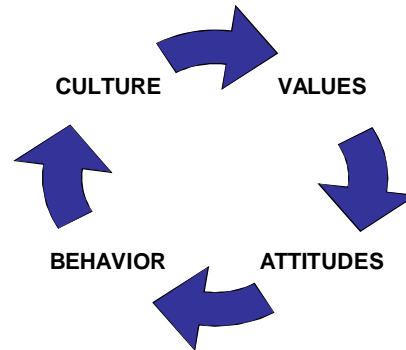
**National Culture**

**Organisational Culture**

**Negotiation Styles**

## What is culture?

- Something **shared** by all or almost all members of some social group
- Something older members of the group try to **pass on** to younger members
- Something that **shapes behavior** or **structures one's perception** of the world (e.g., morals, laws, customs)



Adler, N.J. (1997) International Dimensions of Organizational Behavior.

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## Three dimensions of national culture are particularly relevant to negotiations

### GOAL

**Individualistic  
vs.  
Collectivistic**

### INFLUENCE

**Egalitarianism  
vs.  
Hierarchy**

### COMMUNICATION

**Direct  
vs.  
Indirect**

Brett, J. (2007). Negotiating globally: How to negotiate deals, resolve disputes, and make decisions across cultural boundaries (2<sup>nd</sup> ed.).

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## Collectivists tend to focus more on relationship issues

### Individualists/Competitors:

- Key goal is to maximize own gain (and perhaps the difference between oneself and others)
- Source of identity is the self
- People regard themselves as free agents and independent actors

**Individualistic  
vs.  
Collectivistic**

### Collectivists/Cooperators:

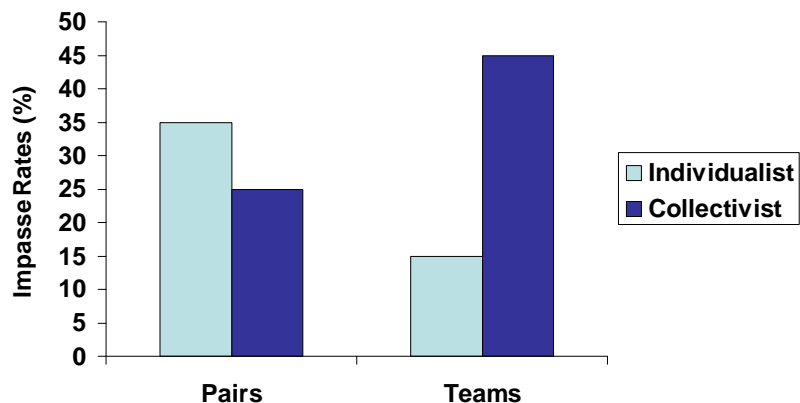
- Key goal is to maximize the welfare of the group or collective
- Source of identity is the group
- Individuals regard themselves as group members

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## Impasse rates change depending on individualist vs. collectivist orientation



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## Power distance affects strategy, tactics, and norms of negotiation

### Egalitarians:

- Do not perceive many social obligations
- Members empowered to negotiate deals based on role and responsibility
- Power comes from BATNA and information

**Egalitarianism  
vs.  
Hierarchy**

### Hierarchists:

- Regard social order to be important in determining conflict management strategies (defer to boss)
- Members empowered to negotiate deals based on status in org
- Power comes from status and rank

## Communication affects the ability to reach an integrative solution

### Direct Communicators:

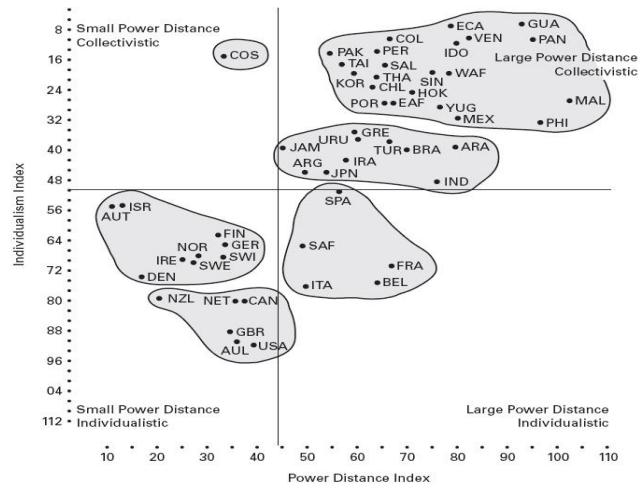
- Engage in explicit, direct information exchange
- Ask direct questions about interests and issues
- Meaning is context-free

**Direct  
vs.  
Indirect**

### Indirect Communicators:

- Engage in tacit information exchange, such as storytelling, inference-making
- Use indirect methods to determine interests and issues (e.g., make multiple offers at same time)
- Meaning is based on context

## Countries that are diametrically opposed may have difficulty negotiating



Hofstede, G. Culture's Consequences: International Differences in Work-Related Values.

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## Learn the local gestures of respect

A polite way to give your business card to a Japanese business person is:

- a. casually, after several hours of getting to know the person.
- b. when first meeting, presenting your card with both hands.
- c. casually during the meeting, with the information face down to show humility
- d. never; it is considered rude in Japan to give business cards.

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## Tolerance for tardiness is cultural

Managers from which country are **least** likely to tolerate someone being 5 minutes late for an appointment?

- a. United States
- b. Australia
- c. Brazil
- d. Sweden
- e. Saudi Arabia

## Miscommunication is often nonverbal (I)

Nodding your head up and down tends to mean “No” in which country?

- a. Bulgaria
- b. Australia
- c. Brazil
- d. China
- e. Pakistan

## Miscommunication is often nonverbal (II)

In many parts of India, when people rock their head slowly back and forth, side-to-side, it usually means:

- a. "Yes, I agree with you"
- b. "No, I disagree with you."
- c. "Yes, I'm listening."
- d. "You're crazy!"
- e. None of the above.

## Acceptable physical contact is cultural

In which of the following countries are two male business associates most likely to hold hands or be arm-in-arm in public?

- a. Saudi Arabia
- b. United Kingdom
- c. Australia
- d. Tibet
- e. Scandinavia

## Learn the expectations around relationship building

In which country is it usually **not** necessary to spend several hours discussing network-related topics before turning to business issues?

- a. Brazil
- b. China
- c. Japan
- d. Hong Kong
- e. None of the above

## Displays of respect vary by culture

Japanese clients visit you at your office for a major meeting. In the meeting, where should the top Japanese official be seated?

- a. closest to the door.
- b. as close to the middle of the room as is possible.
- c. anywhere in the room; seating location isn't important to Japanese business people.
- d. somewhere away from the door with a piece of artwork behind him/her.
- e. always beside rather than facing the host.

## Colloquial gestures can translate badly

While visiting Southern France, you are asked by the concierge whether the meeting room is satisfactory. You give the “OK” signal of thumb and forefinger touching.

To the concierge, this probably means:

- a. “Screw you!”
- b. “How much does it cost?”
- c. “It’s worthless!”
- d. “It’s OK, just fine, thanks”
- e. This gesture has no meaning in Southern France

## Symbols of power are not universal

In which of the following countries are office arrangements **not** usually an indicator of the person’s status?

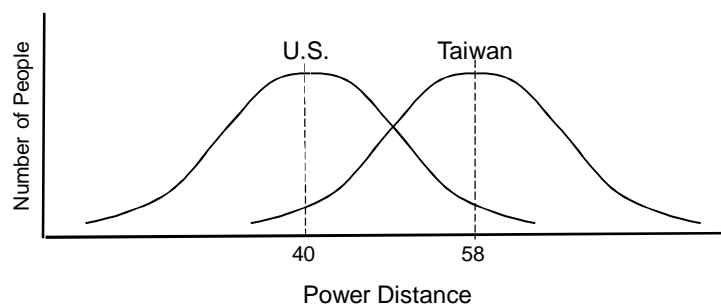
- a. United Kingdom
- b. Germany
- c. Saudi Arabia
- d. China
- e. United States

## Greetings can vary by culture

In which of these countries is it important to show respect to guests by bowing when greeting them?

- a. Taiwan
- b. Italy
- c. Venezuela
- d. Hong Kong
- e. None of the above

## However, national origin cannot accurately predict individual behaviour



## Advice for cross-cultural negotiators

- Analyze cultural differences to identify:
  - **differences in strategy and tactics** that may cause misunderstandings
  - **differences in values** that expand the pie
- Find out how to show **respect** in the other culture
- Find out how **time** is perceived in the culture

## Agenda

**National Culture**

**Organisational Culture**

**Negotiation Styles**

## What is organisational culture?

“A system of **shared values** defining what is important, and **norms**, defining appropriate attitudes and behaviors, that guide members’ attitudes and behaviors.”

(O’Reilly & Chatman, 1996)

## “Social norm” is a sociological term for behavioural expectations in a group

Norms are implicit or explicit rules shared by group members regarding acceptable behaviour and attitudes.

## Norms and values become embedded through four channels

### Selection

Seek candidates whose values match those of the organisation. Candidates who perceive conflict can self-select out.

### Socialization

Help employees learn the values and norms.

### Setting the Example

Send signals to employees through senior management behaviour and communication.

### Reward System

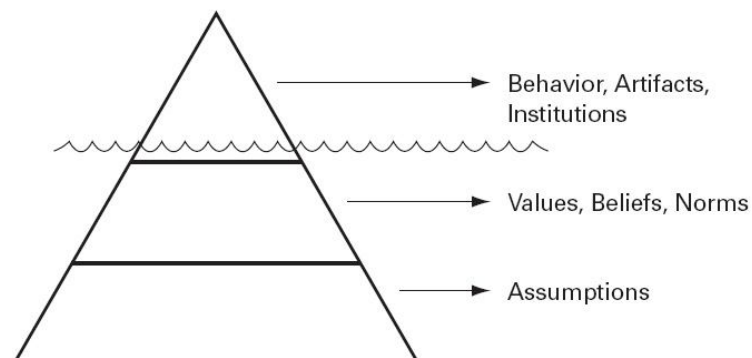
Reward and promote employees who conform to the norms.

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## Norms and values are not always readily observable



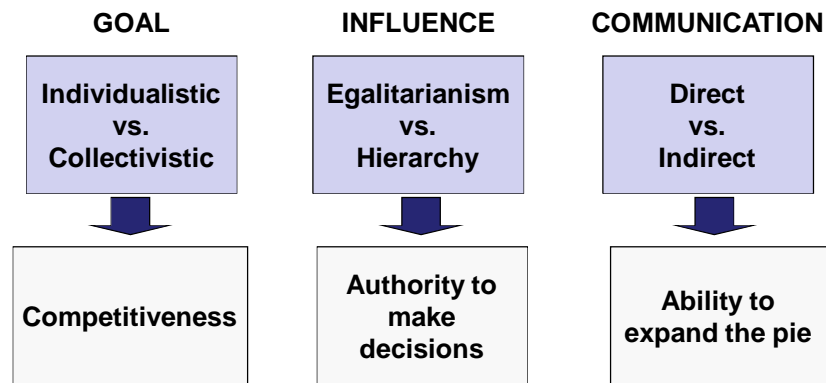
Schein, E. H. (1985). Organizational culture and leadership.

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## Organisational norms can create different environments for negotiation



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## Reflection: What is your organisational culture?

**Discuss the norms and values in your organisation that are related to negotiations**

- Is it competitive or cooperative?
- How much authority do negotiators have to make decisions on the spot?
- How open is communication between negotiators?
- Are there any other norms around negotiating?

**Report back on**

- (1) similarities and differences between organisations
- (2) implications for handling negotiations

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**Organisational Culture**

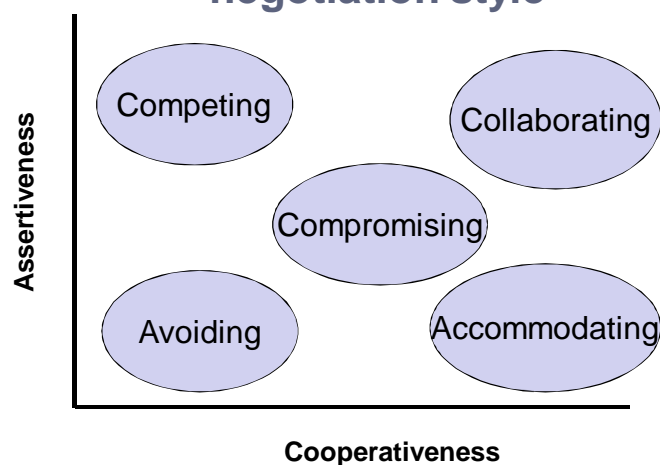
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## Conflict mode is one way to think about negotiation style



Thomas-Kilmann Conflict Mode Instrument by Kenneth W. Thomas and Ralph H. Kilmann

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## Each conflict mode varies in concern for self versus other

- **Accommodating**
  - Neglect own concerns to satisfy other; self-sacrificial.
- **Avoiding**
  - Neglect both parties' concerns. Does not address the conflict.
- **Collaborating**
  - Focus equally on both parties' concerns. Push to find a solution that satisfies both.
- **Competing**
  - Focus on own concerns at the expense of other.
- **Compromising**
  - Falls between Competing and Accommodating. Focus on both parties, but seek most expedient solution.

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## While all are useful, collaborating is most likely to achieve a win-win solution

- **Accommodating**
  - When important relationships are at stake
- **Avoiding**
  - When tensions are running high or issue is trivial
- **Collaborating**
  - When an integrative solution is needed
- **Competing**
  - When it is of vital importance to get your way
- **Compromising**
  - When time pressure requires an expedient solution

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## To become a collaborator, try to balance your natural tendencies

### Competitive (Assertive)

Goal: to **maximize**  
difference with other



### Cooperative

Goal: to **minimize**  
difference with other

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## Tips if you are too competitive

- Think about pie-expansion, not just pie-slicing
- Ask more questions than you think you should
- Rely on standards of fairness and objectivity
- Be scrupulously reliable
- Do not haggle when you can negotiate
- Always acknowledge the other party and protect that person's self-esteem

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## Tips if you are too cooperative

- Avoid concentrating too much on the bottom line
  - Spend time thinking about your high aspirations
- Strengthen your BATNA
- Be accountable: tell someone about your negotiation and report results
- Resist the urge to say “yes”
  - Instead, say “You will have to do better than that because...”
- Insist on commitments and specific promises, not just an agreement

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## Emotional style is how you prefer to influence others

- **Rational (Neutral)**
  - Influence by focusing on facts and logic
  - Conceal emotion
- **Positive (Friendly)**
  - Influence by creating rapport and focusing on feelings and relationship
  - Create positive emotion
- **Negative (Hostile)**
  - Influence through intimidation and tough tactics

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## Each emotional style has pros and cons

- **Rational (Neutral)**
  - Is appropriate in most business settings
  - But may appear cold or distant; repressed emotions may “leak”
- **Positive (Friendly)**
  - Positive emotion stimulates creative thinking and can strengthen relationship
  - But can sometimes be interpreted as manipulative
- **Negative (Hostile)**
  - Intimidation may be effective in distributive bargaining
  - But negative emotion can damage relationship and inhibit integrative bargaining

## Certain situations can affect negotiation style

- **National and organisational culture**
  - Strong norms may constrain behaviour
- **Importance of issue**
  - Issues of great personal importance may make a cooperative person more competitive
- **Relationship with other party**
  - The desire to maintain a good relationship may make a competitive person more cooperative

## Reflection: What is your negotiation style?

- Which **conflict mode** do you tend to use most often? Why?
  - Does this vary by situation? How?
- Which **emotional style** are you most comfortable with? Why?
  - Does this vary by situation? How?
- What are the **strengths and weaknesses** of your negotiation style?
- What are your **goals** for adjusting your style?

## Practice: Role playing different styles

- **Scenario:** Employee in end-of-year meeting with manager, negotiating a raise.
  - Focus is on demonstrating **style**, not negotiation skills
- Create a **3-minute play** of the negotiation, with the boss and employee acting out their assigned styles
- Audience must guess the style of each actor
  - **Conflict mode:** Accommodating, Collaborating, Competing (Avoiding would delay or use email; Compromising too quick)
  - **Emotional style:** Rational, Positive, Negative

## Key Points

- **Awareness of your negotiation style can help you manage strengths and weaknesses**
  - Practice handling people whose style conflicts with yours
  - Practice adjusting your style to different situations
- **Awareness of organisational culture can help you manage your performance**
  - Learn the acceptable norms of behaviour
  - Understand how these match or conflict with your own style
- **Awareness of national culture can help you in cross-cultural situations**
  - Tap into differences in values that can expand the pie
  - Avoid misunderstanding by understanding the difference in style