

Understanding Cultural Differences in Negotiation through Multiple Aspects of Self-Construal

Min Li, Duke University

Recent years have seen two thriving interests in negotiation research – cultural differences and relationship in negotiation. Taking the individualism-collectivism paradigm, both cross-cultural researchers and negotiation researchers have explored how negotiation-related cognition and behavior differ across cultures. Evidence from numerous studies has shown that people from collectivist culture tend to be more concerned about others in negotiation and to approach negotiation in ways that attempt to preserve relationship, whereas people from individualist culture are more likely to act as autonomous agent and approach negotiation through competition (e.g., Gelfand & Christakopoulou, 1999; Gelfand et al, 2001; Gelfand et al. 2002; Wade-Benzoni et al, 2002; Chen et al, 2003). Meanwhile, a separate line of research has focused on the effects of relationship in negotiation. The current line of research posits that how negotiators perceive their relationship to negotiation partners fundamentally influences the process, and consequently, the outcome of negotiation. In general, the connectedness derived from personal ties between negotiators result in an increased amount of information exchange, lowered aspiration level, reduced competitive tactics, and more concessions (Fry et al, 1983; Valley, Neale, & Mannix, 1995; Tenbrunsel et al, 1996).

Universal in these two perspectives are the social components of self-construal, activated by cultural background (e.g., individualist or collectivist culture) or specific social context (e.g., negotiating with stranger, friend, lover, or group member), and the effects of the social components on cognition, motivation, and behavior in negotiation. Self-construal, as advocated by recent theoretical development and empirical evidence, consists of three fundamental aspects: the individual self, the relational self, and the collective self (Brewer & Gardner, 1996; Kashima & Hardie, 2000; Sedikides & Brewer, 2001). Research on cultural differences in negotiation has primarily tapped the contrast between individual self and collective self, but has not explored the relationship self. Similarly, research on relationships in negotiation has mainly focused on the

relational self, but has not made explicit comparison to other aspects of the self. By integrating the multiple aspects of self-construal with theories on the elements of culture, we might be able to better and more fully understand the cultural differences in negotiation.

Multiple Aspects of Self-Construal in Negotiation

The basic features of negotiation can be separated into process and outcome (Thompson, 1990; Valley, Neale & Mannix, 1995). The process simply comprises a series of behaviors performed by both parties. The outcome is usually reflected in three commonly used measures: mutual agreement, joint gain, and individual gain. Self-construal influences negotiation process and outcome by shaping individuals' cognition, motivation, and, consequently, behavior in negotiation. Taking together these frameworks, I first outline how the three aspects of self-construal, namely, individual self, relational self, and collective self, are associated with distinct cognitive, motivational, and behavioral factors in negotiation, and how these influences are reflected in negotiation process and outcome.

The individual self in negotiation The individual self contains those aspects of the self-construal that differentiate the person from others as a unique constellation of traits and dispositional attributes (Triandis 1989; Markus & Kitayama, 1991). When only the individual self is activated, negotiators are primed by a strong sense of personal agency and a clear boundary from others, and are thus likely to view the negotiation as a win-lose situation. This competitive mindset not only propels negotiators to adopt relatively more competitive tactics, but also increases the degree to which negotiators assume that the other party places the same importance on, and/or has the same priorities for the negotiation issues. In other words, the fixed-pie bias is likely to be prominent (Bazerman & Neale, 1983). With inherently high aspirations, concessions are less likely to occur, which might ultimately lead to impasse. The joint gain might not be optimal either due to the high likelihood of impasse, or because of the failure to discover integrative potential. It is indeed possible for two competitive negotiators to achieve integrative outcome, but it usually requires other factors to be in operation, such as sufficient training in

integrative bargaining, or strong problem-solving orientation from both parties. In addition, the joint gain is likely to be distributed unevenly between negotiators.

The relational self in negotiation The relational self contains those aspects of the self-construal that are based on personalized bonds and define the person's role or position within dyadic relationships (Markus & Kitayama, 1991; Kashima & Hardie, 2000). When the relational self is activated, for instance, when one negotiates with close friend, lover, or family member, one has an established understanding of the partner and an available pool of mutually well-understood moves to draw on. This would help reduce the fixed-pie bias. In addition, relationship guarantees certain degree of ease of communication, trust, fairness, honesty, and so on, which increase the likelihood of reaching an agreement and renders positive effects on negotiation process. Negotiators are likely to be cooperative and shy away from aggressive tactics. However, on the other hand, concerns for relationship maintenance might hinder the achievement of integrative outcomes in negotiation. People who are in a good relationship tend to yield suboptimal outcome in negotiation, mostly because they are concerned about maintaining the relationship and thus either lower their aspiration level, or cease their efforts to fully explore alternatives at earlier stage (e.g., Fry et al. 1983; Tenbrunsel et al., 1999). This double-edged effect of relationship in negotiation is likely to lead to lower joint gain, but more equal distribution of resources between negotiators.

The collective self in negotiation The collective self contains those aspects of the self-construal that are derived from one's membership in groups or social categories. When collective self is activated, individuals' interpretation of the negotiation moves slightly away from the win-lose frame. Since the self is an interchangeable example of a group or a social category, the similarity between oneself and the in-group members is made salient. This similarity primacy might spill over to negotiators' perception of their partners' preferences, resulting in slightly stronger fixed-pie bias as compared to the individual self condition. On the other hand, the common group affiliation to some degree functions as a buffer so competitive tactics is not

predominant in the negotiation. The common group affiliation also evokes certain level of concern for the negotiation partner, but not as strong as that in the relational self condition. Taken together, negotiators whose collective self is activated would maintain high aspirations while at the same time exhibit sufficient level of concern for the negotiation partner. As a result, they are in a better position to uncover integrative potential, achieving higher likelihood of agreement as well as higher joint gain.

Self-Construal Activation in Negotiation across Culture

Under what condition is each aspect of self-construal activated in negotiation? This might not be directly observable, although the relation between negotiators – stranger, friend, or group member – serves as a highly informative proxy. Further complicates this issue is that, even faced with the same type of negotiation opponent, the way that each aspect of the self-construal is activated might vary across culture.

Negotiating with stranger Almost by definition, individuals from collectivist cultures have a collective component in their self-construal. Reflected in negotiation process and outcome, this baseline difference in cultural construal of the self is likely to lead to higher agreement rate and more equal division of joint gain among negotiators from collectivist cultures than those from individualist cultures.

Negotiating with friends When negotiating with a friend, the relational self is activated. Though cultural studies have not examined whether there are noticeable differences across culture in this condition, there are reasons to believe that people from different cultures respond to close friends in similar ways. First, the need to belong, i.e., the desire to maintain and form strong, stable interpersonal relationships is a fundamental human motivation (Baumeister & Leary, 1995). People from different cultures are similarly motivated to develop and maintain interpersonal bonds. Second, significant interpersonal bonds are usually highly personalized, developed over a long time, associated with strong affective feeling, and therefore have enduring

impacts which are unlikely to vary across culture. Third, the social norms of caring for and helping friends, family members, and significant others are similar across culture.

This universal need for and the invariant nature of interpersonal relationship implies that people from individualist and collectivist cultures do not differ much in their cognition, motivation, and behavior when they negotiate with friends. Consequently, they would both be subject to the double-edged effects of relationship in negotiation. In other words, they are both more likely to reach an agreement, but achieve suboptimal joint gain, and divide the joint gain in an equal manner.

Negotiating with group member When group membership is made salient in the negotiation setting, the collective self is activated. Research conducted in the Western culture has demonstrated that group distinctions, once established, can affect people's perception, attitude, and action toward groups. People from individualist cultures do respond to group identity, although to a less degree as compared to people from collectivist cultures. Negotiators from individualist cultures would be moderately likely to reach an agreement when negotiating with a group member, and, by holding aspirations high while showing concern to the negotiation partner, they could achieve high joint gain.

An interesting pattern emerges among negotiators from collectivist cultures. Yuki (2003, 2005) proposes that individualist and collectivist cultures have different in-group representations – people from the Western individualist culture tend to emphasize inter-group comparison, whereas people from East Asian collectivist culture are more inclined toward intra-group orientation, viewing the in-group as a network of interpersonal connections rather than a differentiation between in-groups and out-groups. It is therefore reasonable to expect that, in the collective culture, group identity primes an extra relational orientation among negotiators; consequently, the underlying mechanisms in relationship-featured negotiation would be in effect. As a result, negotiation with a group member is more likely to lead to suboptimal outcome. However, such effect would not be observed among individualist negotiators.

Limitations

This paper is still at the early conceptualization stage. Attempting to map out the cognitive, motivational, and behavioral patterns associated with three aspects of self-construal across two cultures, this paper inevitably leaves out several issues that call for further attention.

First, the current framework does not incorporate the strength of relationship. The dynamics in different types of interpersonal relationships, such as the relationship with a good friend, with a close friend, and with significant other, are highly likely to differ. Second, it focuses only on positive relationships and does not address the patterns that negative relationships might generate in negotiation. Third, the current framework hypothesizes only within culture negotiation and has not extended to intercultural negotiation. Fourth, it assumes that, within the negotiation dyad, the aspects of self-construal activated in certain situation are the same. Future work using the lens of multiple aspects of self-construal can explore how the cognitive, motivational, and behavioral factors change the negotiation outcome when in the dyad (a) the cultural backgrounds of the negotiators are different, and (b) the aspects of self-construal activated in a particular negotiation are incongruent.

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Figure 1: Likelihood of Reaching an Agreement across Culture – Expected Pattern

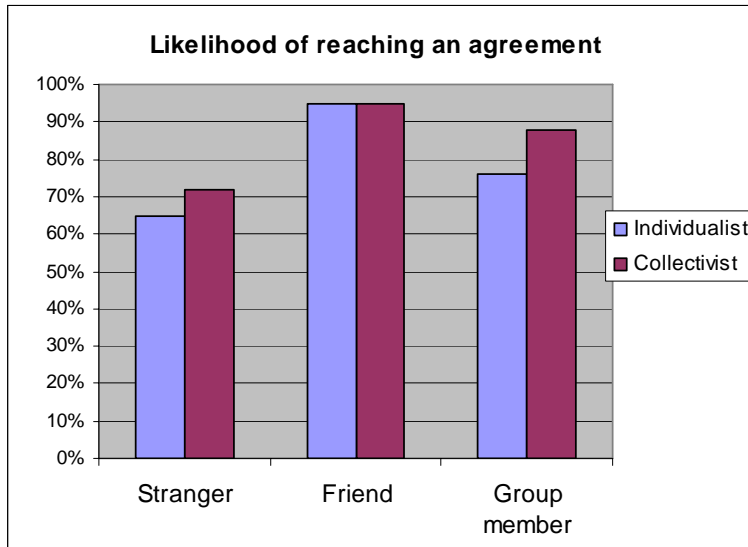


Figure 2: Level of Joint Gain across Culture – Expected Pattern

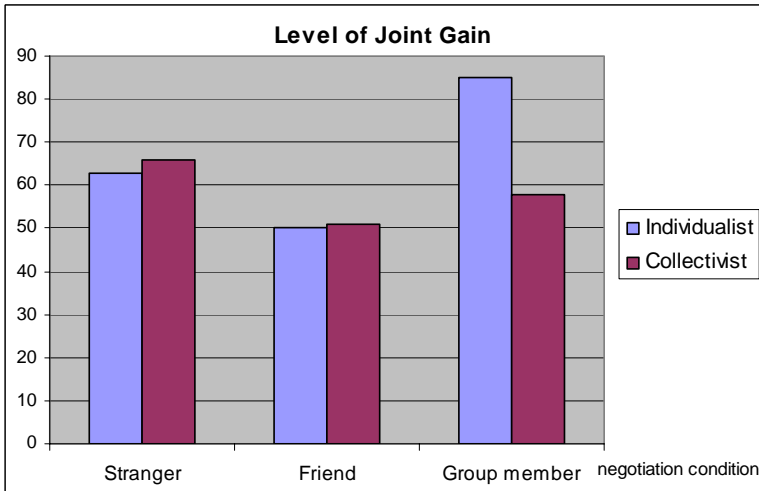


Figure 3: Equality of Joint Gain Allocation – Expected Pattern

