EUROPEAN CROSS CULTURAL DIFFERENCIES VS. GERMAN AND ROMANIAN STYLE NEGOTIATIONS

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ABSTRACT

Negotiation is a kind of communication between contractual partners having a target, a consensual objective to achieve. In an international negotiation, the businessmen have to know the culture of their partner in order to approach him according to his language, habits, traditions, moral and religious customs. In Europe we know two kinds of cultures: monochronic and polychronic cultures and some authors describe the cultural trinity (Northern, Central and Southern geographical oriented cultures). In the European Union the trend is to have UNITY IN DIVERSITY, proper to the prospective European family, defined by tolerance, understanding, competitive alliances and win-win negotiations. This goal will be achieved by knowing the cross cultural differences, playing the role of the adult negotiator, tolerant, knowing and understanding each other.

KEY WORDS: Cross cultural differences, corporate culture, monochronic and polychronic culture, business negotiation, cultural trinity, win-win negotiations; German profile negotiator.

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1. Intercultural negotiations

Starting from the collocation "UNITY IN DIVERSITY", EU wants to create an European specific culture (as the American culture where the new enters created a new different culture with the **same language, behavior, attitudes, norms and values**) from our different traditions, already existing national corporate cultures, in order to harmonies business communication and negotiation. It will be a very complex and inter and multicultural process by knowing, understanding and respecting each other's individual effort to build a fair European family. In a global world, intercultural communication is a real in-out process: travelling, social-business networks, diplomatic relationships, e-commerce, being necessary to know foreign languages, local traditions, habits, history, geographical oriented customs, business knowledge, legislation a.s.o. and intercultural cross differences in order to conclude agreements in a win-win position. Individuals, groups, communities, organizations and even nations have diverse values, beliefs and assumptions that make sense from their own perspective. Thus, effective intercultural negotiation implies being sensitive to the fact that each person perceives, discovers, and constructs reality and business — the internal and external world – in varied yet meaningful ways. Before 1989, international business culture was tending to privilege Western approaches to negotiation, centered in problem-solving and linear communication. As Western norms are balanced with Eastern and Southern values, and local traditions are balanced with regional and national approaches, negotiation practices continue their global evolution. Four elements of culture - **behavior, attitudes, norms and values** influence such negotiations, particularly, regarding the organizational communication, as the form and substance of transactions of individual negotiating styles.

2. Cultural approaches to negotiations.

The well known intercultural researchers (Hofstede,Trompenaars)) analyzed from different points of view cultural differences oriented to time, distance, space, power, masculine-feminine a.s.o. **.** Geert Hofstede is an organizational anthropologist from the Netherlands who did his research on cultural differences within large, multinational corporations looking for:

a.Time orientations. Two different orientations to time exist across the world: monochronic and polychromic approaches. **Monochronic** approaches to time are linear and strict, sequential, and focus on one thing at a time. These approaches are most common in the European-influenced cultures of the United States, Germany, UK, Switzerland, Northern countries, Japan. **Polychronic** orientations to time involve simultaneous occurrences of many things and the involvement of many people. This orientation to elastic time is most common in Mediterranean and Latin cultures, including France, Italy, Greece, and Mexico, as well as some Eastern and African cultures.

Characteristics of monochronic cultures	**Characteristics of polychronic cultures**
prefer prompt beginnings and endings; schedule breaks; deal with one agenda item at a time; rely on specific, detailed, and explicit communication; prefer to talk in sequence; view lateness as devaluing or evidence of lack of respect; focus on economic and ownership.	start and end meetings at flexible times; take breaks when it seems appropriate; be comfortable with a high flow of information; expect to read each other's thoughts and minds; sometimes overlap talk; view start times as flexible and not take lateness personally; focus on social and fun.

Focus on past/present/future. Cultures like Iran, India, and the Far East are categorized as past-oriented. The United States indicates tends to be oriented to the present and the near-future. Latin America leans toward both present and past orientations. As detailed in other essays, indigenous people in North America combine a past and future-oriented approach to time that stretches seven generations forward and backward.

b. Space orientations. There are large differences in spatial preferences according **to gender**, **age, generation, socio-economic classes and environment**. These differences vary by group, but should be considered in any exploration of space as a variable of the negotiations. In Northern European countries, personal space is much larger than in Southern European countries. For a German or a Swedish "the space is large" and for the Italians or the Greeks it is too close.

Hand touching. Certain cultures, including Mediterranean, Arab, and Latin American are more tactile and allow more touching. Asian, indigenous American, Canadian, and U.S. cultures tend to discourage touching, outside of intimate situations. Certain cultures allow cross-gender touching, including the United States, while same-gender touching is less acceptable. These rules change in Japan, where women are frequently seen holding hands, but not men. At the Mediterranean, it is common to see men holding hands or touching in public, but not women. Greeting rituals fit with diplomatic rules and corporate awareness of local norms is important for negotiators.

Eye contact. Space also relates to comfort and attributions related to eye contact or lack of eye contact. In United States and Canadian dominant culture settings as well as many Arab cultures, eye contact is taken as a sign of reliability and trustworthiness. In North American indigenous settings, eye contact may be seen as

disrespectful and inappropriate. Similarly, in Asian settings, looking down is usually interpreted as a sign of respect.

Seating arrangements. Seating arrangements for negotiations should take into account norms for space. In general, Americans tend to talk with people seated opposite them, or at an angle. For the Chinese, these arrangements may lead them to feel alienated and uneasy, they prefer to discuss while sitting side by side but respecting the private space around them.

Nonverbal communication. Closely related to the notion of space is nonverbal communication. In intercultural studies, Japanese negotiators have been observed to use silence most of the time, Americans in a moderate manner, and Brazilians almost not at all. Body language, colors a.s.o. may convey closeness in some contexts and create offense in others. For example, in Mexico, a hug/kiss may reliably communicate the development of a trusting relationship, while a German negotiator might experience a kiss as inappropriately intimate, although Germans hug often.

c. Power distance. He uses the idea of power distance to describe the degree of difference and acceptance of unequal power between people.

High power distance. The Cultures where there is a comfort with high power distance are those where some people are considered superior to others because of their social status, gender, race, age, education, birth, personal achievements, family background or other factors (Arab countries, Guatemala, Malaysia, the Philippines, Mexico, Indonesia, and India). Negotiators from these countries tend to be comfortable with hierarchical structures, clear authority figures and the right to use power with discretion.

Low power distance. Cultures with low power distance tend to assume equality among people and focus more on earned status than ascribed status. Countries with a low power distance include Austria, Denmark, Israel, New Zealand, Ireland, Sweden, Norway, Finland, Switzerland, Great Britain, and Germany. Negotiators from these countries tend to be comfortable with democratic structures and flat organizational hierarchies, shared authority, the right to use power only in limited circumstances and for legitimate purposes.

Uncertainty avoidance. Other Hofstede category has to do with the way national cultures relate to uncertainty and ambiguity and therefore, how well they may adapt to change. Generally, countries that show discomfort with ambiguity and uncertainty include Arab, Muslim and traditional African countries, where high value is placed on conformity and safety, risk avoidance and reliance on formal rules and rituals. It may be difficult for outsider negotiators to establish relationships of confidence and trust with members of these national cultures. Hofstede identified the United States, Scandinavia, and Singapore as having a higher tolerance for uncertainty. Negotiators tend to value risk-taking, problem-solving, flat organizational structures, and tolerance for ambiguity. It may be easier for outsiders to establish trusting relationships with negotiating partners in these cultural contests.

d.Masculinity-femininity. Hofstede uses the terms masculinity and femininity to refer to the degree to which a culture values assertiveness or nurturing and social support, or the degree to which authorities prescribe roles discriminating men or women. Hofstede rated countries and regions such as Japan and Latin America as preferring values of assertiveness, task-orientation, and achievement. In these cultures, they tend to be more rigid gender roles and "live to work" orientations. In countries and regions rated as feminine, such as Scandinavia, Thailand, and Portugal, values of cooperation, nurturing, and relationship solidarity with those less fortunate prevail, and the ethic is more one of "work to live."

3. Cross cultural differencies to negotiations

Doing business abroad brings people face to face with different cultures and practices. It is difficult to track the myriad starting points used by negotiators from different national settings, especially as cultures are in constant flux, and context influences behavior in multiple ways. Another complication is that much of the cross-cultural

negotiation literature comes from the organizational area. Example: European styles of negotiation vary according to region, nationality, language spoken, and many other contextual factors. One study found the French to be very aggressive negotiators, using threats, warnings, and interruptions to achieve their goals, while German and British negotiators were rated as moderately aggressive. Factors such as differences in meeting etiquette, negotiation styles and business protocol should be addressed prior to going on the business trip so as to ensure better success or to be flexible when coming to stereotypes.

4. Doing business in Germany

German profile description. Common terms used to describe German negotiators' profile (Katz Lothar) include professional and serious skills as well as humorless, aggressive, distant, stubborn and obsessed with details and punctuality. For example, in UK it is acceptable to swap jokes and have informal chats at work. When a British is doing business in Germany it is therefore likely that he will interpret the strict formality as dull and humorless. On the other hand, a German doing business in UK may interpret working practices in UK as unprofessional and unproductive. Germans are often uneasy with uncertainty, ambiguity and unqualified risk. This has become manifest in both social and business spheres. Socially, Germans lean towards conservatism and conformism. However, they can be extremely creative and innovative, when involved in activities they enjoy. When doing business in Germany it is possible to notice a heavy emphasis on careful planning, consideration, consultation and consensus. This has developed an appreciation for detail, facts and statistics. Organization is a mean of negating uncertainty and avoiding risks. The emphasis on conformity combined with reluctance towards the unknown makes Germans very apprehensive about risk.

a.Communication styles in Germany. Communication may be perceived as direct, short and to the point. Formality dictates that emotions and unnecessary content do not have a place in conversation.

Relationships and respect. Business relationships are often only moderately important in this country and are usually not a necessary precondition for initial business interactions. Your counterparts' expectations may be to get to know you better as you do business together. Until business interactions that have met their approval have been conducted, most Germans will be very cautious, appear quite reserved, and proceed slowly. Once the necessary trust has been established, though, there will be a sense of loyalty to you as a respected business partner, which can go a long way should a difficult situation arise. Most German business people expect their partners to take a long-term commitment to the engagement.

Business relationships in this country exist between companies as well as between individuals. If your company replaces you with someone else during the negotiation, it may be easy for your replacement to take things over from where you left them. Personal integrity and dependability are important if you want to win their trust. Although they prefer to keep separate business and private life, it is possible to build strong personal relationships with your German business partners. This will take time, usually months or even years. Attempts to accelerate this process may only raise suspicion. Honesty is a key factor and trust is much more easily lost than gained in this country. They may expect you to be equally honest once close ties have been established. Nevertheless, Germans can be very sensitive to criticism. Be careful not to embarrass them in public. Admired personal traits include dependability, analytical thinking, knowledge, and experience. Most Germans believe that their country's workers are more efficient than others. This is a matter of great pride, so even if you do have evidence of the contrary, it is best not to challenge this belief.

b.Negotiation, attitudes and styles. To Germans, negotiating is usually a joint problem-solving process. While the buyer is in a superior position, both sides in a business deal have the responsibility to reach agreement. They may focus equally on near-term and long-term benefits. The primary negotiation style is cooperative, but people may be unwilling to agree with compromises unless it is their only option to keep the negotiation from getting

stuck. Since Germans believe in the concept of win-win, they expect you to reciprocate their respect and trust. It is strongly advisable to avoid any open confrontation and to remain calm, friendly, patient, and persistent.

Steps of negotiation. The German expect negotiations to be slow. The methodical and carefully planned approach Germans use in preparing for the negotiation and gathering information takes considerable time, as does the effort needed to work out details of an agreement. You have to remain patient, control your emotions and accept the inevitable delays.

Germans generally prefer a monochronic work style. They are used to pursuing actions and goals systematically, and they dislike interruptions or digressions. When negotiating, they often work their way down a list of objectives in sequential order, bargaining for each item separately, and may be unwilling to review aspects that have already been agreed upon. They can get highly agitated or even emotional if a more polychronic counterpart challenges this approach. This rigid style may be difficult to tolerate for negotiators from highly polychronic cultures, such as most Asians, Arabs, some Southern Europeans, or most Latin Americans, who may view it as narrow-minded and restrictive. In any case, do not show irritation or anger when encountering this behavior.

Punctuality. When doing business in Germany, remember that punctuality is a serious issue. Business people work hard and are under a lot of schedules. Germans typically plan their time very carefully. It is considered bad etiquette to be late or early as it shows disrespect for peoples' time. Being more than 10 to 15 minutes late, without having a valid and plausible excuse, can be a serious offense.

Decision making process. Companies are often very hierarchical, even though they initially may not seem that way and people expect to work within clearly established lines of authority. Nevertheless, Germans do not accept authority as readily as others might assume; in the German view, hierarchies are effective since they help establish order, not because bosses are 'better' than those they manage. Decision makers are usually senior executives who consider the best interest of the group or organisation. They may delegate their authority to lower levels, which is often done in a formal process that includes written approvals. Decisions are often made by consensus of a group of senior managers. It is important to find or create opportunities to directly influence the decision makers rather than only meeting with subordinates. Because decision making is a methodical process that is conducted with great diligence and precision, it takes much time and requires patience. Once a decision has been made, it is extremely difficult to change it. When making decisions, business people may apply universal principles rather than considering the specific situation. They often dislike "making exceptions" even when arguments speak in favour of doing so. Personal feelings and experiences are considered irrelevant in business negotiations, so people focus on empirical evidence, logical arguments and objective facts. Germans are often uneasy with change and reluctant to take risks. The Germans will analyse proposals thoroughly. Ensure the information you provide in written_format and presented scientifically. Decisions are commonly made slowly and methodically. Proceedings should not be rushed or under pressure. It is a good idea to try and back-up information with insight from personal experience or professional qualifications.

Briefly, an international negotiator doing business with Germans has to be a good and informed professional, to prepare himself from technical, marketing and cultural point of view, to respect the time schedule of meetings and contractual relationships will be lasted, trusty and reliable.

5. Doing business in Romania

As a post-communist country where the word marketing and management were forbidden ,Romanian negotiators have the chance to learn and to adapt their behaviour at the modern and up to date skills.In Romania a business man may find out all kind of European cultures ,according to the geographical area-in the central ,western and northern area is a monochronic culture ,in the southern area is a polichronic culture.

Romanian profile description

Nr.	Central,Western ,Northern area	Southern area
	Relationships and respect very cautious, appear quite reserved, proceed slowly very trusty,keeping promises focussoned on certainty and profession,plan focussed on time and order conservative,conformist,creative uneasy with uncertainty, ambiguity and unqualified risk relatioships between companies	**Relationships and respect** very,supiciouse,expansive,big mouth and quick speaking untrusty,changing often their promises according to the context focused on the opportunities and bargains focused on hazard and individual social ,innovative,opportunist easy with uncertainty, ambiguity and unqualified risk relatioships between indivuduals
	Negotiation, attitudes and styles long-term commitment respectfull and trusty superior position rigid style narrow mind focussed on ownweship	**Negotiation, attitudes and styles** - short-term commitment - selfish, untrusty,tricky - bargaining position - changefull style - opened mind - focussed on individuals' problems
	Steps of negotiation slow steps methodical and carefully planned approach	**Steps of negotiation** faster steps challenging and unplanned approach
	Punctuality respecting time keepig the shedule bad etiquette to be late	**Punctuality** unrespecting time unkeepig the shedule time is not important
	Decision making process hierarchical management decision taken by seniors by consesnsus delegation decision by formal process a long term methodical process of decision difficult to change the made decision informed,commited and reliable professional	**Decision making process** horizontal management decision taken by charged member delegation decision by informal process,under pressure factors a short term spot process of decision easy to change the made decision challengeable,creative and risky professional

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