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Trust and ethics in international business negotiations: A cross-cultural analysis

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TRUST AND ETHICS IN INTERNATIONAL BUSINESS NEGOTIATIONS: A CROSS-CULTURAL ANALYSIS

A Dissertation

by

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ABSTRACT

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The growing interdependence in the global economic and political arena is resulting in accelerated growth in cross-national commercial relationships. Since some form of negotiation precedes most commercial activities and relationships, the topic of cross-cultural negotiation is of crucial importance to academicians, practitioners, and policy formulators. Despite its importance, research on cross-cultural business negotiation has not been very systematic and most of the empirical studies lack the explanatory power that is necessary for theory building. This study attempts to overcome this shortcoming by systematically linking different dimensions of national culture with different types of negotiation behavior.

This dissertation studies the relationship between different dimensions of national cultures identified by Triandis (1972), Hall (1960, 1973, 1976), and Hofstede (1980, 1981) and the level of trust that negotiators repose on their opponents during negotiations. In this study, trust is deemed to be a mediating variable through which

different dimensions of culture influence ethical negotiation behavior in international negotiations. The cultural dimensions being investigated include the collectivism-individualism, the low-context-high-context, the small- versus large-power distance, and the strong- versus weak-uncertainty avoidance dimensions. The study draws from the literature of anthropology, management, psychology, sociology, ethics, cross-cultural management, conflict resolution, relationship marketing, and international business. The intent of this dissertation is to investigate and provide explanations as to how negotiators perceive and conduct their ethical behavior in cross-cultural negotiations and how trust (or the lack thereof) affects a negotiator's bargaining tactics with a foreigner as opposed to a negotiator from his/her home country.

To empirically investigate the relationships among culture, trust, and negotiation behavior, the study examines the attitude of subjects from Canada, Mexico, and the USA-the member countries of the NAFTA. Based on a comprehensive literature review, this study proposes a model showing the relationship among culture, trust, and ethical negotiation behavior. Based on this model, labeled as the ***CTB*** model, the study proposes seven hypotheses which are subsequently tested. Prior to the main study, two pre-tests were conducted to validate the instrument.

Statistical analyses of 225 responses received from business people from Canada, Mexico, and the USA, who have experience in international business and negotiations, suggest that the national culture plays an important role in determining the level of trust that a negotiator is likely to place in a foreign negotiator relative to a home-country negotiator. The findings also suggest a negative relation between the level of trust and various questionable negotiation tactics. To gain further insight into the intricacies of

negotiation behavior, quantitative analyses of data were supplemented by a series of interviews with cross-cultural negotiation experts. The overall findings suggest that the negotiation behavior of Canadian and US business people are not likely to vary significantly between their intra-cultural and cross-cultural negotiations. However, the negotiation behavior of Mexican business people is likely to vary significantly across their intra-cultural and cross-cultural negotiations. The study also indicates that prior relationships play a far more important role in Mexico than in Canada and in the USA. Finally, the study discusses managerial and research implications of the findings and provides directions for future research.

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CHAPTER I

INTRODUCTION

In negotiation, as in real life, you do not get what you deserve, but you get what you negotiate.

Chester C. Kassarr

BACKGROUND

Negotiation is one of the most important processes of initiating, clarifying, establishing, strengthening, and even terminating an economic relationship. Negotiation is a process of communication in which at least two persons/parties with different needs and viewpoints try to arrive at a mutually accepted outcome on some issue(s) of shared concern (Cohen, 1991; Casse, 1981). The word "negotiation" is derived from the Roman word *negotiari* meaning "to carry on business." The word *neogtiari* has roots in the Latin words *neg* which means "not" and *otium* which means "ease" or "leisure." It is, therefore, evident that from ancient days, negotiation was never considered an easy task. Negotiation is a very complex process as people perceive and interpret reality differently. In a cross-national context, negotiation is even more difficult since the negotiator, in addition to all the complexities of domestic negotiations, encounters the added component of cultural diversity (Adler, 1997). Negotiation is one of the most important

business skills for international business managers (Graham, 1985a; Fayerweather & Kapoor, 1976). It is estimated that international managers spend over fifty percent of their time negotiating (Purlmutter, 1981, as quoted in Adler, 1997).

The growing interdependence in the world economic and political arena is resulting in accelerated growth in cross-national commercial relationships. Since some form of negotiation usually precedes every commercial activity and relationship, the topic of cross-cultural negotiation is of crucial importance to academics, practitioners, and policy formulators. From the academics' point of view, the theory, the process, the behavior, and the outcome of negotiation between economic entities from two or more different nations are important as they may help explain, predict, and control cross-cultural human interactions (Tung, 1988).

From the practitioners' viewpoint, the forces of globalization are giving rise to new forms of business relationships and organizational structures (Achrol, 1991). To keep the wheels of business moving, successful negotiation of the terms and conditions related to such organizational structures and business relationships is essential.

From the point of view of the formulators of national policy, the study of cross-cultural negotiations is of crucial importance since governments all over the world continuously engage in different forms of trade negotiations such as formation of trade blocks, preferential trading arrangements, tariffs determinations, agreements on protection of intellectual properties, treaties on environmental standards, health and labor standards, and so on. The increased importance of cross-cultural negotiation in the agenda of policy formulators can be evidenced by the publications of brochures on cross-cultural negotiation by different multi-lateral agencies and governmental bodies (e.g., UNCTAD/WTO, the U.S. Department of State, etc.).

While the world economy is becoming increasingly interdependent, societal concern for socially responsible and ethical behavior is rising. The forces of globalization combined with the concern for higher ethical standard underscore the importance of understanding ethical behavior in a cross-cultural negotiation where negotiators may have contradictory perspectives, values, and communication syles. Although perspectives, values, communication style, and behavior can be viewed as individual attributes, they are "thoroughly culturally constituted" (Markus, Kityama & Heiman, 1997, p. 859). In his seminal work on ethics in marketing, Bartels (1967) identified cultural factors such as values and customs, religion, law, respect for individuality, national identity and patriotism, and rights of property as having influence on ethical decision making. Since then, many researchers (e.g., Vitell, Nwachukwu & Barnes, 1993; Kohls & Buller, 1994) have proposed that business people's ethical perceptions may be influenced by national culture. In this regard, Hunt and Vitell (1986) posit that cultural norms affect how people perceive ethical situations, the various alternatives to deal with ethical dilemmas, as well as the desirability and consequences of different alternatives.

The literature on cross-cultural communication and psychology suggests that people behave differently with people from another culture than they do with those of their own culture (Adler & Graham, 1989; Tajfel, 1984). Adler (1981) and Hofstede (1989) further suggest that cultural differences can affect negotiation behaviors such as communication, competitiveness, and commitment as well as individuals' interpretation of what constitutes ethical behavior. Some previous research has also found that business people's ethical perceptions might be culturally determined (Fritsche & Becker, 1984). In addition to influencing ethical perception, national culture may also influence the level of trust in an exchange relationship (Schaffer & O'Hara, 1995). Adler and Graham (1989)

suggest that trust in international negotiation might operate differently than trust in more regional transactions.

Although globalization has reduced the temporal and spatial gaps between negotiators around the world, it does not necessarily bridge the gap between negotiating patterns emanating from cultural and national differences (Min & Galle, 1993). Negotiation essentially consists of mutual exchange of signals (Morris *et al.,* 1998). Since people from different cultures express and transmit their signals differently, cross-cultural negotiation is by nature difficult to conduct. Added to this complexity is the perception that globalization leads to convergence of human behavior. By giving such false impression of behavioral convergence (Min & Galle, 1993) which may make negotiators unprepared to cope with problems arising from cultural differences of their counterparts, global interdependence may actually exacerbate the complications of cross-cultural negotiations (Bozeman, 1971).

Since the work-related values of people of different nations are significantly different (e.g., Hofstede, 1980, 1981, 1989; Triandis, 1972), it is not surprising that considerable differences have been found when culturally dissimilar people negotiate with each other (e.g., Van Zandt, 1970; Wells, 1972; Tung, 1982, 1984; Graham, 1983, 1985a, 1985b; Adler *et al.*, 1987; Druckman & Harris, 1990; Volkema, 1997).

Despite its importance, research on cross-cultural business negotiation has not been very systematic; it has rather been "atheoretical" (Chan, Triandis & Carnevale, 1994). To a large extent, research in this field has depended on theoretical developments in other areas such as diplomatic negotiations on disarmament, collective bargaining, conflict resolution, and market bargaining (Strauss, 1978). One of the fundamental flaws in research on cross-cultural negotiation behavior is that most of the studies in this field

are descriptive in nature. Researchers studied negotiation behavior in different countries and found empirical evidence of differences in negotiation behavior; but rather than attempting to explain any causal relationship between culture and negotiation behavior, most researchers simply attributed the unexplained differences to some undefined cultural differences (e.g., Hendon, Hendon & Herbig, 1996; Graham, 1983; Weiss & Stripp, 1985; Tung, 1982). Therefore, most of the empirical studies on cross-cultural negotiation hitherto published lack the explanatory power that is necessary for theory building. This study attempts to overcome this shortcoming by systematically linking different dimensions of national culture with different types of negotiation behavior.

STATEMENT OF THE PROBLEM

The purpose of this study is to investigate the role of different dimensions of culture in the formation of trust, and, consequently, how the level of trust may affect the negotiation behavior of people in a cross-cultural setting with respect to different aspects of ethicality as opposed to intra-cultural negotiations. For the purpose of this study, four different dimensions of national culture identified from the literature are used as independent variables, while six different negotiation tactics, also identified from the literature, are used as dependent variables. The study posits that the four dimensions of national culture act as antecedent variables in determining the level of trust, and, consequently, the level of trust acts as a mediating variable affecting the consequent variables that represent the various tactics that a negotiator is likely to use during his/her negotiation with a foreign negotiator. The study also seeks to examine the role of six intervening variables: age, education, ethnicity, income level, gender, and the length of work experience on negotiation behavior.

JUSTIFICATION, SCOPE, AND DELIMITATION OF THE STUDY

To empirically investigate the relationship among culture, trust, and negotiation, this study investigates the negotiation behavior of the peoples of Canada, Mexico, and the USA. These three countries have been chosen, because first, Canada and Mexico are the largest and second largest trading partners of the United States, the largest economy in the world. In 1997, the United States exported goods and services worth $678 billion dollars. Of this amount, Canada imported goods and services worth $169.68 billion dollars while Mexico imported goods and services worth $80.66 billion. Canadian imports from the United States accounted for over 75 percent of its total imports while the figure was 80.66 percent for Mexico. In the same year, the United States imported goods worth $877 billion. Of this amount, goods and services worth $202.44 billion were imported from Canada, while goods and services worth $71.4 billion came from Mexico. For Canada, the United States accounted for over 74 percent of its total exports, while for Mexico, the figure was 66.11 percent. As a whole, trade with Mexico and Canada accounted for about 44 percent of total U.S. trade in 1997.[1]

Second, the two-way foreign direct investments between each of these countries are among the largest in the world. Third, these countries represent not only three different national cultures, but also some important sub-cultures within these national cultures (Hispanic and African-American in the case of the United States and Francophones in the case of Canada). Therefore, these countries provide a good setting for conducting cross-national research on negotiation behavior. Fourth, with the creation of the North American Free Trade Agreement (NAFTA), Canada, Mexico, and the

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[1] All figures are taken from the NTDB database compiled by the Department of Commerce of the U.S. Government. All figures are stated in U.S. dollars.

United States represent the largest free trade area in the world. NAFTA has also resulted in an unprecedented growth of trade, commerce, and investment among these three countries in general, and Mexico and the United States in particular. Moreover, to avoid potential future problems that may arise if NAFTA turns itself into a "Fortress North America," many foreign firms are also investing in the NAFTA countries. The current crises in the Russian and East Asian financial markets and the relative stability of the NAFTA countries are also contributing toward an increased inflow of foreign direct investment into this region. For these reasons, any research on the negotiation behavior of the people of the NAFTA countries will not only be intellectually stimulating, but will also be practically relevant.

This research systematically studies if there is any relationship between different dimensions of national cultures identified by Triandis (1972), Hall (1960, 1973, 1976), and Hofstede (1980, 1981) and the level of trust that negotiators repose on their opponents during negotiations. In this study, trust is deemed to be a mediating variable through which different dimensions of culture influence ethical negotiation behavior in international negotiations. The cultural dimensions that will be studied for this purpose include collectivism versus individualism, low- versus high-context, large- versus small-power-distance, and strong- versus weak- uncertainty-avoidance.

This study draws from the literature of anthropology, economics, management, psychology, sociology, ethics, cross-cultural management, conflict resolution, relationship marketing, and international business. Earlier works (e.g., Lewicki & Litterer, 1985a & 1985b; Lewicki *et al.*, 1993; van es Delft, 1996; Lewicki & Stark, 1996; Lewicki, Saunders & Minton, 1997; Volkema 1997) have discussed the basic processes that lead negotiators to behave in an ethical/unethical way and how negotiators

perceive ethical behavior in a negotiation process. The intent of this dissertation is to investigate and provide explanations as to how negotiators perceive and conduct cross-cultural negotiations and how trust (or the lack thereof) affects a negotiator's bargaining tactics. Although trust can be and is often created as a consequence of repeated transactions (Gulati, 1995), this paper focuses on trust that exists prior to negotiation (Tung, 1988) to determine its role in the ethical behavior of negotiators. Rather than focusing on trust, this paper discusses and theorizes the use of ethically questionable negotiation tactics in terms of *reposed trust* (defined in Chapter 2). Drawing from Aristotle's ethics, which focuses on finding the "golden mean" between placing excessive trust and deficiency or lack of trust (as quoted in Wicks, Berman & Jones, 1999) in human conduct, this study focuses on reposed trust as a conceptual backdrop to ground the notion of reposed trust in explicating ethical behavior in an international negotiation. This study is investigating behavioral intention and not actual negotiation behavior. Nevertheless, the findings will have practical implications since behavioral intention is generally considered to be a good predictor of actual behavior (Strong & Weber, 1998; Fishbein & Ajzen, 1979).

Hofstede (1989) posits that our cultural programs contain components associated with our profession, regional background, sex, age group, and the organization to which we belong. Several studies (e.g., Robinson *et al.*, 1996; Ruegger & King, 1992) suggest that ethical perceptions differ significantly with respect to age, gender, and education. This study will, therefore, also look at convergence and divergence in likely ethical behavior across people of different genders, age groups, levels of income, lengths of experience, and educational background. This will help explain the commonalty, if any,

across these various groups of people with respect to their reposed levels of trust that affect their negotiation behavior in terms of ethicality.

For the purpose of this study, intra-cultural negotiation implies negotiation with people from the same country. Cross-cultural negotiation, on the other hand, implies negotiation between people from different countries. The terms "international," "cross-national," and "cross-cultural" are used interchangeably in this research.

While most of the cross-cultural studies use the nation as a unit of analysis, some researchers (e.g., Adler & Graham, 1989) stress the need to use various sub-cultures within a national culture as units of analysis. In this study, nation is used as a unit of analysis since the study is concerned with national culture. However, the study also seeks to investigate difference(s) that may exist among the members of selected sub-cultures within a national culture with respect to the level of trust they place in their opponent and the likelihood of using of different questionable negotiation tactics. The study seeks to compare the likely behavior of Francophones and Anglophones in Canada and African-Americans, Anglo-Americans, and Hispanic-Americans in the United States. In the case of Mexico, the study does not make any attempt to distinguish among various subcultures. Compared to Canada and the United States, Mexico is culturally and ethnically more homogenous. Moreover, ethnic distinctions, such as Españols, Mestizos, and indegenous people are not a critical issue as the Mexican society is stratified more along the lines of economic level rather than ethnicity.

There are different types of negotiations such as one-shot, repeated, sequential, serial, multiple, and linked (Strauss, 1978). Even though negotiation behaviors of the people of any given culture are likely to be different in each of these different types of negotiations, this paper is based on the premise that as we have entered the age of

relationship marketing (Morgan & Hunt, 1994), in every negotiation, regardless of its type and phase, people will generally attempt to build and strengthen their relationship, so as not to jeopardize the prospect of any future business deal. The fact that even after a failed negotiation, people say good-bye and shake hands so as to keep the doors for future negotiations open (Gundlach & Murphy, 1993) lends credence to the assumption about relationship building through negotiation.

This study investigates the behavior that negotiators are likely to display in their negotiation with a foreign negotiator whom they are meeting for the *first time* as opposed to a negotiator from his/her own country. The study is delimited to looking at the negotiation process from a dyadic relationship only, although, in reality there is no limit to the number of parties or disputants in a negotiation. Building on Weiss' (1993) definition, for the purpose of this paper, "international negotiation" is defined as **the conscious and deliberate interactions between two persons/parties originating from two different national cultures who are attempting to define their interdependence in a business manner.** Any negotiation involving groups, organizations, and nations is beyond the scope of this study. Similarly, any topic related to situational constraints such as time, status and power of the negotiating parties, etc., is also beyond the scope of this study.

The study seeks to contribute to the literature on negotiations in several ways. First, the study seeks to explain the cultural factors that determine the level of trust and the resultant consequences of such trust in international negotiations. An understanding of such factors may preempt problems that occur during the negotiation stage. Second, this study combines theoretical constructs from several genres of literatures and seeks to integrate the constructs into a single framework to examine the behavioral tactics

commonly used in international negotiations. Third and finally, this study advances the literature by indicating why reposed trust is important, offering a definition of the term, discussing its core elements, identifying its antecedent variables in the national culture and its consequent variables in international negotiations, deriving a set of research propositions linking optimal trust to improved managerial performance, empirically testing the hypotheses, and outlining implications and potential further development of this work.

RESEARCH QUESTIONS

Empirical measurement of trust as a cultural construct is virtually non-existent in the existing literature (Strong & Weber, 1998). The main thrust of this study pertains to the role of culture in the formation of trust that people repose on an opponent during negotiations and how the extent of such trust may influence the negotiation tactics in terms of ethicality in cross-cultural as opposed to intra-cultural negotiations. Specifically, this study seeks to address the following two questions:

1) Do people from different cultures repose their trust on foreign negotiators, as opposed to domestic negotiators, differently?
2) Does trust play a role in reducing different questionable tactics that negotiators generally employ during a negotiation?

In addition to these main research questions, this study also seeks answers to the following six questions:

1) Does age play a role in the formation of trust, and consequently, on the negotiation behavior in terms of ethicality?

2) Does level of income play a role in the formation of trust and consequently on the negotiation behavior in terms of ethicality?
3) Does gender play a role in the formation of trust and consequently on the negotiation behavior in terms of ethicality?
4) Does level of education play a role in the formation of trust and consequently on the negotiation behavior in terms of ethicality?
5) Does length of work experience play a role in the formation of trust and consequently on the negotiation behavior in terms of ethicality?
6) Do people from different ethnic backgrounds from the same national culture exhibit differences with respect to extending trust to foreign negotiators and employing questionable negotiation tactics with them?

CHAPTER II

THEORETICAL FOUNDATIONS AND PROPOSITIONS

Actors do not behave as atoms outside a social context, [rather] their attempts at purposive action are embedded in concrete ongoing systems of social relations.

Granovetter, 1985

The purpose of this chapter is to present an integrative and comprehensive review of literature related to negotiation, trust, ethics, international marketing, and cross-cultural management. The objective of this integrative, literature review is to summarize earlier research by drawing conclusions from works from separate fields of study that are related to the propositions presented later in the proposal. Because of the inter-disciplinary focus of the proposed dissertation, such an integrative review of several separate but related fields is considered essential.

This chapter has four sections. The first section reviews the relevant literature. The second section presents a conceptual framework linking different dimensions of national culture with trust and the consequent relationship between trust and unethical behavior. Prior to the presentation and explication of this conceptual framework, a thorough discussion and operationalization of the notion of trust as well as a discussion of

ethical behavior are presented in this section. Since trust and ethical behavior are of key importance in the proposed model, a detailed discussion on trust and ethical behavior is provided in this section instead of in the literature review. The third section presents ten propositions which are based on the conceptual framework presented in the preceding section. Finally, in the fourth section, a rival model is proposed showing a different pattern of relationships between national culture and unethical behavior in international negotiations, without the mediating role of trust.

LITERATURE REVIEW

The content and structure of the literature review presented herein is determined primarily by the purpose and scope of the research discussed in chapter I. The review opens with a discussion on negotiation literature in general and international negotiation literature in particular. Subsequently discussed are first, the relationship between culture and negotiation; second, the relationship between culture and ethics; third, the relationship among culture, trust, and negotiation; and finally, the relationship among culture, trust, ethics, and negotiation.

Negotiation

> *Sex apart, negotiation is the most common and problematic involvement of one person with another, and the two activities are not unrelated.*
>
> John Kenneth Galbraith

The literature of international negotiation has a rich intellectual tradition. Almost from the dawn of human civilization, long before the emergence of modern nation-states, historians and commentators provided detailed accounts of exchanges of proposals

among leaders as they attempted to reach satisfactory agreements in a wide variety of situations (Stein, 1988). In ancient India, Chanakya wrote extensively on diplomacy and negotiations. In modern times, one of the earliest known books on different aspects of international negotiations was written in 1716 by de Callières (Hendon, Hendon & Herbig, 1996). Traditionally, analysis of the past to provide better prescriptions for the future has been the main thrust of the literature on international negotiation (Stein, 1988). More recently, researchers have attempted to systematize and theorize the study of international negotiation with a view to improve the quality of prescriptions they offer to practitioners (Pruitt, 1986).

In a review of works on negotiation and mediation, Carnevale and Pruitt (1992) identified three main traditions in the area of negotiation. The first tradition, which has continued for centuries, is the writing of books. In the 1950s and 1960s, many books were written for labor and industrial negotiators as well as for international negotiators. Recent authors who have written books or chapters on issues related to international negotiation include Kennedy (1994); Acuff (1993); Fisher, Ury and Patton (1991); Tung (1988); Lax and Sabenius (1986); Graham and Sano (1984) to name but a few.

A second tradition, according to Carnevale and Pruitt (1992), involves the construction of mathematical models of rational negotiation by economists and game theorists (e.g., Harsanyi, 1956; Young, 1975; Kagel & Roth, 1991). Game theory is the mathematical analysis of various strategic options among rational players in competitive situations. According to Stein (1988), game theory "reduces the number of options it examines at any time, models the preference of the players deductively, posits hierarchical and consistent preference orderings by the players, and then assumes rational choice by the participants" (p. 223). Although game theory has made important

contributions to analysis of international negotiation, its usefulness has recently come under increased scrutiny as it does not take into consideration the larger political, sociological, historical, cultural, and situational contexts in which an international negotiation takes place. Moreover, game theory ignores the constraints to rational choice and focuses exclusively on the outcome.

To overcome the shortcomings of the game theoretic tradition, a third tradition, focusing on behavioral aspects of negotiation, emerged in the 1960s with the publication of Douglas' 1962 work on industrial negotiation. Unlike the first two traditions, which are normative, the behavioral analysis focused on explanation and prediction, although it is rich enough to provide prescriptions as well (Pruitt, 1986). This tradition has thus placed heavy emphasis on empirical research in both the laboratory and the field (Carnevale & Pruitt, 1992). Rubin and Brown (1975) provided a thorough review of the work published in this area up to 1974. We also find a number of recent books that focus on the behavioral aspects of negotiation (e.g., Druckman, 1977; Lewicki, 1983; Putnam & Roloff, 1991). Carnevale and Pruitt (1992) identified two other settings of negotiation: the prisoner's dilemma (e.g., Pruitt & Kimmel, 1977) and several varieties of social dilemmas (e.g., Messick & Brewer, 1983).

In a review of works on negotiation, Zartman (1976) identified seven schools of thought in the study of negotiations:

1) the descriptive approach that merely traces the history and outcome of particular negotiation situations;

2) the contextualist approach that examines the process and outcome of negotiations in light of the history of the negotiation itself and/or the broader historical context into which the negotiation falls;
3) the structural approach that identifies and examines the situations and conditions, such as patterns of relationships, which can enhance the success of a given negotiation;
4) the strategic approach that reviews strategic decisions and choices in the context of the values at stake and the pattern of selection of the respective parties;
5) the use of personality types to explain outcomes of negotiations;
6) the behavioral approach that studies the outcome in the context of behavioral skills of the participants; and
7) the process approach that examines negotiations as a learning process in the light of the challenges faced and responses given by the negotiating parties.

In another study Carole and Payne (1991) identified four different approaches to negotiation:

1) a normative or prescriptive approach, based on rational models of bargaining;
2) an individual differences approach focusing on personality factors;
3) a structural approach grounded in sociological conceptions; and
4) a cognitive or information processing approach that highlights the role of judgmental heuristics and biases in negotiations.

Kramer, Pommerenke, and Newton (1993) added one more perspective by introducing a social contextualist view, which is a broadened view of the contextualist view earlier identified by Zartman (1976). In this study, I take the position advocated by Kramer, Pommerenke, and Newton (1993) and broaden their perspective further by

incorporating both culture and trust in my model. Although the role of culture in international negotiation is obvious, we know relatively little about how they influence negotiators' judgment and behavior in a dyadic negotiation. As Neale and Northcraft (1991) have commented, "While economics seems well-represented in dyadic bargaining research, and our understanding of cognition in this enterprise is clearly on the rise, the *social* side of dyadic bargaining remains largely ignored" (p. 182, emphasis original). This study seeks to address this social context by investigating the role of culture and trust in international negotiation.

Cross-cultural aspects of negotiation began attracting research attention in the 1970s. However, only a few articles on the topic of cross-cultural negotiations (e.g.,Van Zandt, 1970; Jastram, 1974; Wells, 1972) appeared in academic journals in the 1970s. Since the 1980s, the behavioral aspects of cross-cultural negotiations have been attracting more research, resulting in a greater number of empirical works being published. Tung (1982) and Pye (1982) compared business negotiation styles between American and Chinese people. In another study, Tung (1984) investigated the negotiation behavior of the Japanese. Graham (1983, 1985a) investigated the business negotiation styles of the US, Japanese and Brazilian people. Brett and Okumara (1998) investigated the inter- and intracultural negotiation styles of the Japanese and US negotiators. Empirical research on negotiation behavior was conducted involving samples from various national cultural backgrounds, including the French (Platney, 1980; Dupont, 1982); Russians (Beliaev, Mullen & Punnett, 1985), Mexicans (Fisher, 1980), Brazilians (Volkema, 1997), Koreans (Francis, 1991), and Arabs (Wright, 1981). We also find a number of multi-country studies on negotiation behavior (Harnett & Cummings, 1980; Weiss & Stripp, 1985; Adler *et al.*, 1987; Campbell *et al.*, 1988; Adler & Graham, 1989). Recently, the *Journal*

of International Business Studies devoted a whole issue (1998, 4th quarter) to the study of various aspects of international business negotiations.

Culture and Negotiation

> *No matter how hard man tries, it is impossible for him to divest himself of his own culture, for it has penetrated to the roots of his nervous system and determines how he perceives the world. . . . People cannot act or interact at all in any meaningful way except through the medium of culture.*
>
> Hall and Hall, 1987

Human societies are characterized by a remarkable variety of beliefs, customs, manners, forms of social organization, rituals, and traditions that people follow in their daily life. The concept of culture was developed by anthropologists to capture the essence of this remarkable diversity (Cohen, 1991). National culture, according to Hofstede (1989), is that component of our mental programming which we share with our compatriots more than with people from other countries. National cultural programming leads to a pattern of thinking, feeling, and acting that may differ from one party in an international negotiation to another (Hofstede, 1989). As the "software of human mind" (Hofstede, 1980), culture molds our perception, structures our ideas, shapes our actions, and determines the way we interact with others such as living, loving, meeting, giving, trading, arguing, fighting, persuading, and a host of other activities including negotiating. The most fundamental component of our national culture consists of our value system, which determines our broad preferences for one state of affairs over others. Through our values, culture determines what we consider good and evil, beautiful and ugly, natural and unnatural, rational and irrational, ethical and unethical. As culture encompasses all aspects of our social life, it is concerned not only with the exotic artifacts or rituals or the

material and organizational dimensions, but also with intangibles like the etiquette that people display, the manner in which relationships are conducted, the nature of friendship, and how life's activities should and should not be conducted (Cohen, 1991).

Brett and Okumara (1998) suggest that cultures differ with respect to values, norms, and institutions that determine the negotiation behavior. They posit that:

1) cultural institutions provide context for negotiations;

2) cultural values and norms provide the members of a culture with schemas for interpreting the situation as well as the behavior of the other party, and scripts or sequences of appropriate negotiation strategies and tactics.

Based on "natural selection thesis," one can argue that those negotiation strategies and tactics that fit with cultural values will dominate the negotiation process since they offer a means to a desirable end state (Tinsley & Pillutla, 1998). Cross-cultural or international negotiations, by definition, involve people from different national cultures. Although it is widely believed that cultural factors influence the process and outcome of international negotiations, scientific research is lacking on the manner in which these factors operate (Poortinga & Hendricks, 1989). We find three different viewpoints on the role of culture in international negotiation. According to one perspective, negotiation is a universal process, utilizing a finite number of behavioral patterns, and cultural differences result in differences only in style and language. Proponents of this view hold that although culture is relevant to the understanding of negotiation process, the role of culture in international negotiation is "not merely epiphenomenal, but invisible and mute" (Zartman, 1993, p. 17). Dismissing the role of culture in international negotiation, Fisher, Ury, and Patton (1991) commented, "Making assumptions about someone based on their group characteristics is insulting, as well as factually risky" (p. 168).

A second view of the role of culture in international negotiation suggests that culture matters *a lot* in that it substantively affects the bargaining positions held by negotiating parties. The proponents of this view attribute all differences in an international negotiation to culture (e.g., Bozeman, 1971).

Yet another strand of literature, taking a somewhat middle ground between the first two perspectives, suggests that culture matters *somewhat* in that it affects the process of negotiation "by differentially influencing the bargaining strategies and outcomes of a given negotiation" (Mingst & Warkentin, 1996, p. 169). This study takes this third position and argues that culture, with its invisible but powerful presence in our mind, plays an important role in the manner in which we organize our relationships (including the level of trust we repose) and negotiate with others.

The proponents of this third view have shown how culture can affect international negotiation in myriad ways. The complexity and uncertainty of cross-cultural negotiations make it almost certain that the information processing, interpretation of events, judgments, and behavior of the negotiating parties will be influenced by their cultural values (what is important) and mores (what is appropriate). According to Hendon, Hendon, and Herbig (1996), culture impacts negotiation in four ways: by conditioning one's perception of reality; by blocking out information inconsistent or unfamiliar with culturally grounded assumptions; by projecting meaning onto another party's words and actions; and by impelling the ethnocentric attribution of motive. Janosik (1987) views culture as a multifaceted concept that affects negotiation in a variety of ways. First, culture as a learned behavior affects negotiation in that it shapes one's notion of reciprocity and justice, attitude about acceptable outcomes, or concepts about the appropriate timing for certain bargaining behaviors. Second, culture as "shared

values" produces a common bargaining style among the people of a particular culture. Third, culture, in addition to representing "shared values" also represents dialectic (i.e., the tensions that exist among values embedded in a given culture). Culture as a dialectic may cause seemingly incompatible negotiation behavior among the people within the same culture (e.g., "harmonious cooperation" versus "warrior-like ethics" among the Japanese). Finally, culture as a carrier of dominant social and contextual factors affects the negotiation style and outcome of the people of a given culture in a particular situation. Tinsley, Curhan, and Kwak (in press) posit that different national contexts influence an international negotiation process, and hence a negotiation outcome, in two different ways. First, multiple national contexts create individual level differences among negotiators that manifest themselves in the form of priorities, perspectives, and scripts. Second, national differences also result in societal level differences in the form of national endowments, preferences, and legal, political, and government systems. Since individual negotiators are socialized within a national context with its attendant values, beliefs, norms, resources, and legal and governmental institutions, they are profoundly influenced by the societal level differences as well.

Culture and Ethics

> *Culture, a set of rules or standards shared by members of a society that, when acted upon by the members, produce behavior that falls within a range the members consider proper and acceptable.*
>
> Rinehart and Winston, 1983

Along with the growth in worldwide trade, commerce, and industry, ethics has emerged as a challenge to the global business community (Brenkert, 1998a; Hass, 1994).

Ethics relates to the "**activity of applying moral precepts to concrete problems**" (Wines & Napier 1992, p. 833). Ethics has received considerable attention in both industry and academia and has become the focus of a growing literature. This development is evidenced by the fact that many countries have enacted laws to ensure ethical behavior (e.g., the Foreign Corrupt Practices Act of the USA); many multilateral agencies are issuing ethical guidelines (OECD, 1998), many US and European corporations have formally enacted codes of ethics (e.g., Levi Strauss), and many business schools are offering courses on ethics. Numerous books (e.g., Ferell & Fraedrich 1994; Solomon, 1992; Donaldson, 1989; Borchert & Stewart, 1986) and articles have been published on this topic. Ethical norms, ethical judgment, and ethical behavior are receiving increased attention in all areas of management (Brass, Butterfield & Skaggs, 1998; Treviño, 1990; 1986), in international business (Phatak & Habib, 1998; Husted *et al.*, 1996), as well as in marketing (Hunt & Vitell, 1986; Hunt & Vasquez-Parraga, 1993; Ferrell & Fraedrich, 1994; Dubinsky & Loken, 1989; Ferrell & Gresham, 1985). Most of the academic conferences now have a special track on ethics and a number of journals (e.g., *Journal of Business Ethics, Business Ethics Quarterly, Journal of Business and Professional Ethics, Social Justice Research, European Journal of Business Ethics,* etc.) focusing on various topics related to ethics are being published.

Although various topics related to ethics have been receiving considerable attention in the academia, there is an apparent neglect of this topic in a cross-cultural context (Vitell, Nwachukwu & Barnes, 1993). This lack of research interest in cross-cultural ethics might be the result of the fact that the concepts of both culture and ethics are difficult to define, study, measure, and understand either by themselves or in relation to business practices (Wines & Napier, 1992). However, business ethics cannot be

investigated in an acultural context since culture gives meanings to all the concepts that provide the foundations for ethical behavior.

Definitions of culture frequently incorporate the notion of "values" or "moral values" (e.g., Hofstede, 1980; England, 1975; Kroeber & Kluckhohn, 1952). However, we hardly find any explanation of what is meant by moral values or how such values relate to behavior in ethical situations (Wines & Napier, 1992). Conducting a cross-cultural study on any topic related to ethics is based on the presumption that there may be common threads of ethical values across cultures. However, there is a wide disagreement among moral philosophers as to the existence of any universal ethical value(s). According to Adler (1997) what is ethically "right" and "wrong" is culturally determined. This poses a serious limitation to any study of cross-cultural ethics. Even if we can identify ethical values that are common or similar across cultures, their application may differ from culture to culture for three reasons (Wines & Napier, 1992):

1) the place of the culture on developmental/temporal scale;

2) the weight accorded to different competing values; and

3) the manner in which the society applies abstract values like ethics.

From the above discussion, it appears that there is a practical need to interpret business ethics according to particular cultures and particular situations. However, the first necessary step toward that end should be to find out the cultural factors that determine ethical values and behavior. This study is dedicated toward that end and chooses negotiation behavior to study how culture might influence ethical behavior through one of its features—trust. The next section reviews the interrelationship among

culture, trust, and negotiations, which is followed by a review of the interrelationship among culture, ethics, trust, and negotiations.

Culture, Trust, and Negotiation

> *The challenges of the modern global marketplace center on the simultaneous management of trust and distrust in a hostile environment in which individuals may be just as inclined to distrust as they are to trust.*
>
> Lewicki, McAllister, and Bies, 1988

The role of trust comes into being when there is vulnerability, risk, and scope for opportunism in an exchange relationship (Rousseau *et al.*, 1998). People do not need to develop trust when their exchange relationship is totally structured and when there is no risk or vulnerability involved (Macaulay, 1963). In a negotiation, and especially in a first time negotiation with an unknown foreigner, there is always vulnerability and risk involved. International negotiation, therefore, provides an ideal setting for studying the role of trust in an exchange relationship.

Literature in the social sciences suggests that intercultural communication may be hindered by the confrontation of disparate unconscious assumptions, not only about the role of language and non-verbal gestures, but also about the nature and value of social relationships (Fisher, 1980). As we are living in an increasingly interdependent world, practitioners and researchers alike are now paying increasing attention to human relationships. In the recent past, relationship marketing, which is characterized by the presence of trust and commitment toward each bargaining party, has emerged as a new research area (Morgan & Hunt, 1994). Trust has been shown to be a necessary precedent condition for long-term relationships (Soule, 1998). Since globalization is continuously

redefining relationships among business entities throughout the world, the role of trust in international negotiations has assumed greater significance than ever before.

The role of culture, trust, and behavior in an international negotiation are closely inter-linked. People often approach an exchange relationship based on their own values, and the level of trust they repose on an exchange partner is likely to increase if they find value congruence with him/her (Jones & George, 1998). Mead (1994) posits that in an exchange relationship, a person takes the perspective or role of the other in order to call out the same response in the self. Because of its important role in an exchange relationship, as early as in 1958, Deutsch identified trust as an important predictor of successful conflict resolution and negotiation. Ross and Wieland (1996) found direct effect of trust on disputants' responses to mediation efforts to resolve a dispute. Dasgupta (1988) posits that trust is a background element in an exchange relationship. McKnight, Cummings, and Chervany (1998) posit that the most critical time frame to develop trust is at the beginning of a relationship. However, literature shows contradictory findings about the level of trust at the beginning of a relationship. While some studies (e.g., Blau, 1964; Zand 1972) found low levels of trust at the beginning of a relationship, some recent studies (e.g., Berg, Dickhaut & Mccabe, 1995; Krammer, 1994) found high levels of trust at the beginning of a relationship. McKnight, Cummings, and Chervany (1998) posit that there might be some hidden factors that cause such "paradox of high initial trust" (p. 473). This study posits that such a paradox of high initial trust formation may be explained in terms of national culture of the trustors.

Weiss (1993) reports that the level of trust one party places in another party varies according to the background of the parties. McAllister (1995) found that in dyads trust was greatly influenced by affect-based (Do we share common thoughts and feelings?)

factors. Sabel (1993) commented that trust is more likely to develop in circumstances where there is a common history, belief in the same god, and dedication to the same political ends. McCabe, Dukerich and Dutton (1993) argue that trust is culturally embedded. Fukayama (1995) described trust as "spontaneous sociability" which is found in some cultures, which he calls "high-trust cultures," but not in other cultures, which he calls "low-trust cultures." Consistent with these observations and findings, this study posits that culture plays an important role in determining how much trust one is willing to place in a negotiator from a different culture.

Since the essence of the negotiation process is an exchange of promises and commitments, the negotiating parties will not accept each other's promises unless they trust each other. Therefore, a "negotiation is essentially defined by the degree of trust in the relationship among parties" (Wood & Colosi, 1997, p. 5). Although some scholars may argue that it is not trust, but legal mechanisms like a signed contract that ensures compliance and avoids risk (e.g., Smitka, 1994), some other scholars (e.g., Macaulay, 1963) opine that a detailed contract can actually get in the way of creating an effective exchange relationships. Rousseau (1995) as well as Flores and Solomon (1998) posit that a contract does not indicate a lack of trust; it rather signals a basis for trust resulting from sharing and mutuality in a negotiation. Dasgupta (1988) commented, "In fact, no contract, even if it is scrutinized by sharp lawyers, can detail every eventuality, if for no other reason than that no language can cope with unlimited refinement in distinguishing continuities. Trust covers expectations about what others will do or have done . . . in circumstances that are not explicitly covered in the agreement" (p. 52-53). Willimson (1985) indicated that an idiosyncratic exchange relationship that involves personal trust is

likely to survive greater stress and show greater adaptability to uncertainties. Williamson (1985) further opined that some agreements may never be reached without trust.

In the context of an international negotiation, the role of trust is even more important than in a domestic negotiation. In case of a dispute in the aftermath of a domestic negotiations, the parties can resolve their conflict using various means such as legal actions and third-party mediations. However, in case of an international dispute, it is difficult to seek legal remedy, and it is even more difficult to enforce any legal ruling (Schaeffer, Earle & Agusti, 1996). As such, the stakes and the vulnerabilities of the negotiating parties are much higher in an international negotiation as compared to a domestic negotiation. Therefore, the role of trust is more important in international negotiations as compared to domestic negotiations.

Although trust may be created in a variety of ways, whether and how trust is created depends to a considerable extent upon the societal norms and values that guide people's behavior and beliefs (Hofstede, 1980). People often use their values to decide if the other party falls within the *zone of indifference* (Barnard, 1938, emphasis added) to make themselves vulnerable to the other party. Culture, therefore, plays an important role in the formation of trust, and consequently, in an exchange relationship like an international negotiation. Where there is no trust, every action by a negotiator would be viewed with suspicion and a search for malign motives (Rangarajan, 1989). That is why we find that in international negotiation, the actual negotiations is often preceded by some confidence building measures, which Graham (1983, 1985b) refers to as "non-task sounding."

Culture, Ethics, Trust, and Negotiations

> *Conditions of trust sustain the context in which moral principles achieve their concrete embodiment.*
>
> King, 1988

Business people's ethics have traditionally been perceived by other people as questionable at best and abusive at worst (Baumhart, 1961). With ethics getting more attention from both practitioners and academics, business ethicists are now attaching increased importance to cooperation and trust: "the competition takes place not in a jungle, but in a society that it presumably both serves and depends upon. Business life, unlike life in a mythological jungle, is first of all fundamentally cooperative. It is only with bounds of mutually shared concerns that competition is possible. And quite the contrary to the 'everyone for himself' metaphor, business always involves large, cooperative, and mutually trusting groups" (Solomon 1992, p. 26).

Many researchers (e.g., Gewirth, 1982; Hosmer, 1995) posit that ethics and trust are tied up together. Ethical principles and principles of fairness are also considered as important sources of limits to negotiators' behavior (Carnevale & Pruitt, 1992) as these principles can either facilitate or hinder reaching an agreement, depending on whether they are shared by the negotiating parties (Schelling, 1960). Opposing views on principles can be an obstacle in international negotiation as has been shown by Pruitt *et al.* (1991); Druckman *et al.* (1988); and Zartman (1978), to name a few. Despite its importance, the role of ethics in negotiation has not received much research attention (Anton, 1990). A literature search involving all the leading management, marketing, and international business journals published during the period 1985 to 1997 found only six studies (Lewicki & Robinson, 1998; Volkema 1999, 1997; Godfrey, 1995; Crampton &

Dees, 1993; Anton, 1990) that addressed the question of ethicality in negotiation. Four out of these six studies, however, were concerned with uni-cultural negotiations and not with cross-cultural negotiations. This lends credence to the assertion made by Dubinsky *et al.* (1991) that despite the importance of ethical issues in international business, cross-national aspects of ethical issues have been paid very little attention. This study attempts to fill this void in the literature by addressing the question of trust and ethicality in the context of cross-cultural negotiations.

In a negotiation, the role of culture and trust are very important since a negotiator may make certain judgments about the trustworthiness of his/her opponent based on his/her own cultural beliefs, which may in turn influence his/her negotiation tactics. Trust is often culturally contextualized (Primeaux, 1998). Ethnocentric and egocentric tendencies often impede the extension of trust in an international negotiation. Michalos (1990) notes that "most people think most [other] people are not as nice as they are themselves, and, therefore, cannot be trusted to behave as well" (as quoted in Brenkart, 1998a, p. 627). These tendencies are more acute internationally, where people look, talk, dress, and behave differently (Brenkart, 1998a).

The very nature of the negotiation process, which has been described as a "potentially opportunistic interaction by which two or more parties, with some apparent conflict, seek to do better through jointly decided action than they could otherwise" (Lax & Sabenius, 1986, p. 11), makes it ripe for unethical behavior (Lewicki & Robinson, 1995). In fact, some researchers opine that some types of unethical behavior may be appropriate or even necessary to be an effective negotiator (for example, see Lewicki, 1983; Crampton & Dees, 1993). The negotiation context, therefore, provides a good setting for studying ethical behavior of negotiators as they are under the pressure of

opportunism, desperation, and the maximization of self-interest (Lewicki & Stark, 1996). However, trust, which exists in every human exchange relationship in varying degrees, reduces the likelihood that the other party will act opportunistically (Bradach & Eccles, 1989). Brien (1998) posits that promoting trust leads to more ethical behavior in organizations. Trust leads to openness, facilitates the use of soft tactics such as providing favors or benefits, and sacrifices of immediate benefits for future gains (Rao & Schmidt, 1998; Parkhe 1993; Tung 1986). Based on Baier's (1958, 1985) discussion of trust, it can be stated that trust prevents unethical behavior in an international negotiation by ensuring that negotiating parties do not manipulate each other by deliberately raising any reasonable but false expectations in the mind of the opponent about:

a) how he/she will respond to something that his/her opponent wants him/her to do;
b) what he/she will do where the opponent would face significant loss if he/she relies on such false expectations;
c) his/her future behavior which he/she would not follow through.

Barney and Hansen (1994) define trust as "the mutual confidence that no party to an exchange will exploit another's vulnerabilities" (p. 176). According to Fukayama (1995), trust is primarily a social or communal virtue that moves from the philosophical focus of an individual to his/her sociological concern for interrelationships which is important for both ethics and economics. Hosmer (1995) conceptualizes trust as the expectations of ethically justifiable behavior by a counterpart in a joint endeavor or an economic exchange. Trust has also been conceptualized as a belief, confidence, sentiment, or expectation about an exchange partner's intentionality and/or likely behavior (Anderson & Weitz, 1990; Dwyer & Oh, 1987, Pruitt, 1981; Rotter, 1967) as

well as a determinant of the nature of the relationship between or among exchange partners (Moorman, Zaltman & Deshpande, 1992; Moorman Deshpande & Zaltman, 1993).

As one of the determinants of relationship quality, trust is also considered as a determinant of communication between parties (Anderson & Weitz, 1990; Mohr & Nevin, 1990), and of the amount of cooperation and functionality of conflict between or among them (Anderson & Narus, 1990, 1984). Therefore, trust is likely to play an important role in every form of business negotiation. Following the assertion of Brien (1995) that trust promotes ethical behavior, this study posits that as a component of behavioral intentionality, trust does play an important role in the ethical behavior of negotiators during an international negotiation process.

Even though people are opportunistic, because of societal pressures, they are constrained in the maximization of their self-interest (Etzioni, 1988). In this regard, Jones (1995) proposed that trust-based behavior helps overcome the problems of opportunism. Transaction-cost economists (e.g., Williamson, 1975) also expressed similar opinions. Although most of the economic and game theoretic models generally portray negotiators as opportunistic and self-interest seekers and (e.g., Roth, 1985; Brams, 1990), studies that had employed behavioral-psychological models (such as the dual concern model of negotiation behavior (Pruitt & Rubin, 1986) and the social utility model (Loewenstein, Thompson & Bazerman, 1989)) found that negotiators take into consideration not only their own interest and outcome, but also those obtained by their opponents. The dual-concern model posits that empathic concern for the other's outcome dictates the type of behavior used in a negotiation, and a high empathic concern reduces the likelihood of opportunism in an exchange relationship. Against this backdrop of two contradictory

notions about negotiators' behavioral intentions found in the game-theoretic and behavioral-psychological models, it will be interesting to investigate the interrelationship among culture, trust, and ethical behavior in international negotiations.

A CONCEPTUAL FRAMEWORK

> *A scientific concept has meaning only because scientists mean something by it. The meaning is scientifically valid only if what they intend by it becomes actual.*
>
> Kaplan, 1964

More than thirty years ago, Rotter (1967) wrote, "One of the most salient factors in the effectiveness of our present complex social organization is the willingness of one or more individuals in a social unit to trust others. The efficiency, adjustment, and even survival of any social group depends upon the presence or absence of such trust" (p. 651). The role of trust is even more important in today's context of relationship marketing, since such a relationship is maintained and strengthened "by means of norms of sharing and commitment based on trust" (Achrol, 1991, p. 89). According to Moorman, Deshpande, and Zaltman (1993), despite its growing importance, research on trust is being hampered in two ways: first, very few researchers have attempted to identify and empirically examine the factors that affect trust in marketing relationships; and, second, researchers did not systematically distinguish trust from other related factors such as sincerity, honesty, loyalty, etc.

Trust began attracting the attention of business researchers after the seminal work of Zand (1972). Prior to that point, trust was particularly the concern of psychologists and those who focused on international peace and security (Brenkert, 1998b). In the recent

past, the notion of trust has been investigated from different viewpoints, such as its role in national prosperity (Fukayama, 1995), in competitive advantage (Barney & Hansen, 1994; Jones, 1995), in long-term business relationships (Morgan & Hunt, 1994), in ensuring the success of a quality circle (Ishikawa, 1991), in the effectiveness of international corporate governance structure (Strong & Weber, 1994) and so on. Trust has also been viewed as an essential basis for innovation (Hosmer, 1994) and scientific collaboration as well as a part of morality itself (Hosmer, 1995). However, the role of trust has not, as of today, been investigated in ensuring ethical behavior in international negotiation. The central aim of this dissertation is, therefore, to spell out the conditions surrounding culturally embedded trust and how that can affect ethical behavior in a negotiation.

Since trust may assume a number of different forms depending upon its source, the conditions for its existence, and its extensiveness, any discussion of trust should make explicit the form of trust which it is concentrating on (Brenkart, 1998b). Therefore, a thorough discussion of trust leading to its opertionalization for the purpose of this dissertation is presented in the following section.

The Nature and Kinds of Trust

The view of trust as a foundation for cooperation (Barnard, 1938) spans many academic disciplines: anthropology, economics, psychology, sociology, political science, management, and marketing, to name only a few. With such a diversity of research on trust, it is only natural that trust has not only been investigated by different methods and approaches, but the very nature of trust is also subject to various interpretations. Despite differences within different disciplines as to the exact nature of trust, the key role that

trust plays in critical social processes is acknowledged in all disciplines (Lewicki & Bunker, 1996).

Based on disciplinary perspectives, Lewicki and Bunker (1995) grouped trust into three categories: 1) personality theorists' view of trust as an individual difference, 2) sociologists' and economists' notion of trust as an institutional phenomenon, and 3) social psychologists' view of trust as an expectation of another party in a transaction. Sitkin and Roth (1993) suggest that the work on trust can be grouped into four categories: 1) trust as an individual attribute, 2) trust as a behavior, 3) trust as a situational feature, and) trust as an institutional arrangement. This paper introduces a fifth category: *trust as a cultural feature*. However, *trust as a cultural feature* is not an isolated category from the four other categories identified by Sitkin & Roth. Rather, *trust as a cultural feature* is closely inter-linked with them. This paper posits that trust, *as a cultural feature*, influences *trust as an individual attribute* as well *trust as a behavior*. Moreover, *trust as a cultural feature* may also be reflected in *trust as an institutional arrangement*. For example, in a US bank, one can cash one's check just by presenting it to one teller. He/she does not have to wait for the check to be examined and verified by several tellers. But in a country like India or Bangladesh, one has to wait at least half an hour after presenting the check as the check will be scrutinized by a process called "internal check" whereby it will be examined, verified, and signed by five to six different people before the check can be cashed. Similar types of internal checks are prevalent not only in the banking industry, but almost in all business activities in those countries. Such a bureaucratic system may reflect the lack of trust people repose on other people. After all, bureaucracy was introduced to take the personal elements out of business transactions (Weber, 1946).

Trust and various forms of trust have been researched from various viewpoints. For example, researchers have investigated the trust that people place in other people because of the costly sanctions that may exceed the benefits of opportunism resulting from any breach of trust. Such trust is known as *deterrence-based trust* (Ring & van de Ven, 1992; Rousseau *at al.*,1998). This study is not concerned with *deterrence-based trust*. This study is rather concerned with the trust that is not a control mechanism, but a substitute for control, reflecting a positive attitude toward an opponent's motives. Trust has also been thought of as *calculus-based*, where trust emerges out of rational choice based upon economic exchanges (Rousseau *et al.*, 1998). *Calculus-based trust* emerges not only from the existence of deterrence-based trust, but also because of credible information about the intention and competence of the other party. There is another type of trust known as *relational trust*. *Relational trust* is created as a result of repeated interactions over time between trustor and trustee. "Information available to the trustor from within the relationship itself forms the basis of relational trust" (Rousseau *et al.*, 1998, p. 399). Trust can also emerge as a result of institutional arrangements (Ring & van de Ven, 1992). Institutional factors that exist at the organizational level (e.g., in the form of teamwork culture (Whitener *et al.*, 1998)) as well as at the societal level, through such cultural supports as legal systems that protect individual rights and property (Fukayama, 1995).

From a sociological perspective, Zucker (1986) identified three types of trust. In addition to *institutionally-based trust*, Zucker identified *process-based* and *characteristics-based trust*. *Process based-trust*, according to Zucker, is tied to a long-term pattern of exchange between the parties. This notion of trust is very similar to

relational trust. Characteristics-based trust arises from characteristics of the opponents such as ethnic groups or religious affiliations.

Sheppard and Tuchinsky (1996) viewed trust from a psychological-sociological perspective. Sheppard and Tuchinsky's categories include *deterrence-based trust, knowledge-based trust*, and *identification-based trust.* Their notion of *identification-based trust* refers to trust that emerges because of similarities of goals between the parties. *Knowledge-based trust* derives from the knowledge about the other party and/or knowledge about the transaction itself. Brockner and Siegel (1996) discussed another type of trust known as *justice-based trust* or *trust based on procedural justice.* For example, *procedural justice* would include the opportunity to express grievances, lodge an appeal, etc.

Brenkert (1998a) identified three kinds of trust: *basic, guarded*, and *extended.* They are distinguished on the basis of the extensiveness of the placing of trust on another person/party, the presence or lack of safeguards, and the participants' adherence to various values and principles. Based on the strength of trust, Ring (1996) distinguished between *fragile* and *resilient* trust. Building on Ring's work, Jones & Bowie (1998) identified another type of trust, which they called *swift trust*, a form of trust that can be created in brief or temporary encounters.

Jones and George (1998) take a different approach to the study of trust. Rather than asserting that different determinants lead to different types of trust, they view trust as a changing or evolving experience. From an interactionist perspective, they conceptualize *distrust, conditional trust*, and *unconditional trust* as three distinct states of the same construct, which they label as the "trust experience." Flores and Solomon (1998) also take a similar approach. They characterize five kinds of trust: *simple trust,*

blind trust, basic trust, articulated trust, and *authentic trust.* Flores & Solomon (1988) posit that these different types of trust form a continuum from an emotional attitude devoid of distrust (simple trust) to an "articulate emotional attitude" (p. 232) aware of both distrust and trust in life, but which sides with trust. According to Flores and Solomon (1992), the trust that is relevant in a business relationship is only the authentic trust "that has already transcended simple trust and is well aware of the risks and vulnerabilities" (p. 232).

The trust being studied for this research is different from all these different types of trust, although it does share many traits with other kinds of trust. This study is concerned with the trust that a person is willing to repose on a stranger (in this case, a negotiator with whom he/she is negotiating for the first time) for defining their business relationship. This form of trust can be called "reposed trust." However, the question is, in the absence of prior contact, how do negotiators repose trust on their counterparts? This study posits that the level of trust reposed by negotiators on their counterparts is determined by their national culture. Reposed trust is being examined in this study in the milieu of individual behaviors in a cultural context. Following Strong and Weber (1998) and Calton and Lad (1995), this study does not focus on reposed trust as an instrumental value (i.e., achieving some other end such as economic gain), but examines such reposed trust as a social networking activity designed to build relationships. Throughout the rest of the dissertation, the term *trust* is used to refer to this reposed trust.

Although all these various forms of trust discussed above differ from each other, we find considerable areas of overlap among them. Reposed trust also has a lot of overlap with other forms of trust (e.g., authentic trust) and is influenced by other types of trust. For example, the extent of *identification-trust* prevalent in a person is likely to affect

his/her *reposed trust*. This point is further elaborated later in the section dealing with propositions.

It is also pertinent to mention here that "trust" has also been described as a "multiplex" notion or a "meso" concept having many facets and levels. According to Rousseau *et al.*(1998), there may be:

- multilevel trust (individual, group, firm, and institutional),
- trust within and between organizations,
- multidisciplinary trust,
- the multiple causal roles of trust (trust as a cause, outcome, and moderator), and
- new, emerging forms of trust.

This study is concerned with the mediating role of trust as a cultural feature. The moderating role of trust in shaping causal relationships has been investigated quite extensively in both micro-organizational behavior and in social psychology (Robinson & Rousseau, 1994). However, the potential mediating role of trust in international negotiation has not yet been investigated.

Researchers from different fields seem to agree that trust as a human behavior or behavioral intention represents a *voluntary reliance* on a partner and involves vulnerability and uncertainty on the part of the persons/parties placing such trust (Cohen, 1990; Rousseau *at al.*, 1998). This view of voluntary trust is based on Locke's "entrusting view" (Baier, 1985). The vulnerability associated with trust is often based on the expectations that the other party will perform a particular action important to the

trustor, irrespective of his/her ability to control the other party (Mayer, Davis & Schoorman, 1995; Hosmer, 1995).

Across various disciplines, we notice agreement as to two necessary conditions for existence of trust. First, risk is considered an essential condition for existence of trust. Das and Teng (1998) posits that trust is the mirror image of risk. The second necessary condition for trust is interdependence, where the objective of one party cannot be achieved without reliance upon another (Sheppard & Sherman, 1998). Since risk and interdependence are necessary conditions for trust, variations in these factors in a relationship between parties can alter both the level and form that trust takes. (Rousseau *et al.*, 1998).

Based on the above discussion, and especially building on the definition of Rousseau *et al.* (1998), for the purpose of this study, reposed trust (trust hereinafter) is defined as a **psychological state comprising the behavioral intention to accept risk and vulnerability based upon confident positive expectations of the intended behavior and capability of an exchange partner.** Trust is used in this study in the sense of a transitive verb as well as a noun. This study is looking at trust from an ontological perspective, i.e., as a personal practice that is moderated by one's cultural background. Following Lewicki, McAllister, and Bies (1998) and Flores and Solomon (1998), this paper argues that trust and distrust are separate, but linked dimensions. Trust and distrust are not opposite ends of a single continuum. Therefore, absence of trust does not mean the existence of distrust, or vice-versa. This paper also posits that trust and distrust are not exclusive either. One can have both trust and distrust toward someone at the same time. Sometimes, one feeling overwhelms another, sometimes not (Flores & Solomon,

1998). This study is, however, mainly concerned with trust and lack of trust, and not distrust.

Ethical Behavior

> *[A] great deal of economic life depends for its viability on a certain limited degree of ethical commitment. Purely selfish behavior of individuals is really incompatible with any kind of settled economic life.*
>
> Kenneth Arrow, 1973

Before any discussion of how trust may influence ethical behavior in international negotiation, it is imperative to have an understanding of theories of ethics. Although business ethics has received considerable attention in the recent past, the field is still suffering in terms of both theoretical foundation (Werhane, 1994) and methodology (Randall and Gibson, 1990). The research in business ethics has traditionally been dominated by normative concepts and qualitative methods drawn from different philosophical perspectives (Donaldson, 1989). Although such dependence on philosophical approaches has contributed to theoretical foundation, it has not contributed much to relating ethics to existing business practices (Stajkovic & Luthans, 1997).

In the recent past, researchers have proposed a number of models suggesting relationship between key variables and ethical behaviors. These models have been based on a broad humanistic psychology such as moral development (Jones, 1995; Trevino, 1986), theological foundations (Hunt & Vitell, 1986), and general assumptions of ethical theories such as utilitiarianism, rights of justice, etc.

Ethics refers to human perceptions regarding right and wrong, which require an individual to behave according to the canons of a moral philosophy (Gundlach &

Murphy, 1993). A moral philosophy is "the set of principles or rules that people use to decide what is right or wrong" (Ferrell & Fraedrich, 1994, p. 60). An individual first recognizes whether an activity or a situation involves an ethical issue or not, and then he/she comes up with perceptions of various alternatives or actions that he/she might take to resolve the ethical dilemma (Etzioni, 1988). According to Phatak and Habib (1998), of the several moral philosophies, four philosophies have particularly evolved during the twentieth century and serve as the foundations of normative ethics. These are: deontology, teleology, theory of justice, and cultural relativism.

The concept of deontology can be traced to the writings of German philosopher Immanuel Kant (1724-1804) who believed that "Some acts are right, and some acts are wrong, quite independent of their consequences . . . . We do that which is right because it is the right thing to do" (Borchert and Stewart, 1998). The deontological evaluation process is dictated by the inherent rightness or wrongness of a behavior without regard to the consequence of such a behavior (Ferrell & Fraedrich, 1994). A strict deontologist would, therefore, make his/her decision based on deontological norms such as proscribing lying, cheating, bluffing, deceiving, stealing, misrepresenting and those prescribing honesty, fairness, justice, or fidelity and will be guided by such factors as duties, obligations, responsibilities, and the rights of others (Hunt & Vitell, 1986; Hunt & Vasquez-Parraga, 1993).

The concept of teleology, on the other hand, can be traced to J.S. Mill's (1863) work on utilitarianism (Phatak & Habib, 1998). Teleology holds that an action should be guided by its consequences. Therefore, to a teleologist, "end justifies means." The teleological evaluation process, according to Hunt and Vitell (1986), consists of the following:

1) the forecasting of each behavior's consequences for various stakeholder groups;

2) estimating the probabilities of those consequences;

3) evaluating the consequences' desirability or undesirability; and

4) assessing the importance of each stakeholder group.

International managers also take lessons from the fundamental guidelines of fairness, equitability, and impartiality that the theory of justice provides (Phatak & Habib, 1998). Cavanagh, Morberg, and Velasquez (1981) offer four behavioral prescriptions that capture the basic premises of the theory of justice. These are:

1) Individuals should not be treated differently based on arbitrary characteristics.

2) Those who are similar in relevant attributes should be treated similarly, and those who are different in relevant attributes should be treated differently in proportion to the differences between them. Attributes and positions of individuals that are the basics for differential treatment must be justifiably connected to the goals and tasks at hand.

3) Rules must be clearly stated and promulgated, administered fairly, and consistently and fairly enforced. Those who do not obey the rules because of ignorance or those who are forced to break them under duress should not be punished.

4) Individuals must not be held responsible for matters over which they have no control.

Culture may have an important role in shaping one's deontology, teleology, as well as the lessons he/she may draw from the theory of justice. As mentioned earlier, deontology determines what constitutes right and what constitutes wrong, and this is where the role of culture becomes evident. The perception of rightness and wrongness is

often culture-specific (Triandis, 1972). That is why a TV commercial with a sexist message that may be deemed inappropriate in one country may be perfectly acceptable in another country. The teleological philosophy of a person may also be determined by his/her culture. For example, in the United States, a businessperson is likely to refrain from giving a bribe because of fear of legal consequences as a result of the Foreign Corrupt Practices Act. But in South Korea, the punishment for a corporate crime for a former minister was offering a public apology (Schaffer *et al.*, 1996). In case of Korea, offering a public apology was more humiliating than going to jail for unlawful activities.

A careful analysis of Cavanagh, Morberg, and Velasquez's (1981) prescriptions shows that the way one interprets these prescriptions may also be shaped by his/her culture. For example, a person following the first guideline may treat a person of another culture quite differently from the way he/she would treat a person of his/her own culture; because a person from another culture clearly possesses different cultural attributes from his/her own culture. But again, a person subscribing to the fourth guideline may decide that a person from a different culture has no control over the his/her cultural attributes (as he/she was born and raised in a different culture not by his/her own choice). As such, he/she should not be treated differently. These examples show that negotiators from two different cultures believing in the same moral philosophy (deontology, or teleology, or theory of justice) may act very differently. To gain further insight into this, it is necessary to have an understanding of the concepts of cultural relativism and cultural universalism.

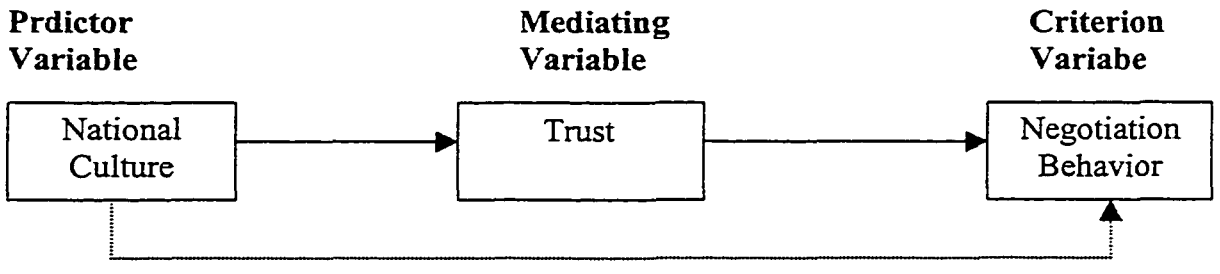
Cultural universalism posits that notions such as fairness, right or wrong, good or bad, etc., have a universally accepted meaning to which people of all cultures adhere (McFarlin & Sweeney, 1998). Cultural relativism, on the other hand, asserts that words such as right or wrong, just or unjust, fair or unfair derive their meaning and value from

the attributes of a given culture (Donaldson, 1989). To a cultural relativist, therefore, ethical standards are culture specific, and one should not be surprised that an act considered ethical in one country may be considered unethical in another country (Phatak & Habib, 1998). Even where different cultures agree on basic ethical values, the application of such values may differ significantly. To elucidate this further, an interesting example can be given from Herodotus' work. In the ancient world (6th century BCE), Callations (an Indian people) and Greeks believed that people should respect the bodies of their relatives. However, the Callations did so by eating the bodies and the Greeks did so by cremating the bodies (as quoted in Rachels, 1986).

Based on the above discussion, this study proposes the following relationship between culture, trust, and negotiation behavior. It should be mentioned here that this study is not labeling any particular type of behavior as either ethical or unethical, but is reporting the degree of ethicality in terms of different questionable negotiation tactics, which are later explained in the extended model.

Figure 1

A Simple Model showing the relationships among Culture, Trust and negotiation behavior (CTB Model)



Based on the first letters of the three variables (*C*ulture, *T*rust, and *B*ehavior), this model is labeled as the ***CTB*** model of negotiation. It should also be mentioned that negotiation behavior can be affected directly by national culture without the mediating role of trust. This direct relationship between national culture and negotiation behavior is depicted through the dotted line in Figure 1. An extended version of the ***CTB*** model is discussed later, following an explanation of the dimensions of culture and different types of questionable tactics that are often used in international negotiations.

Doney, Cannon, and Mullen (1998) identify two approaches to the study of national culture: social scientists (Kluckhohn & Strodbeck, 1961; Lynn, 1982) have developed various classification systems based on theory; other researchers (Hofstede, 1980; Peabody, 1985) attempted to dimensionalize culture based on empirical studies. For the purpose of this research, the theoretical domains identified by Clark (1990), the dimensions identified by Hofstede (1980), and the dichotomy of low-context and high-context identified by Hall (1976) are used in explicating the role of culture in the formation of trust and consequently the ethical behavior in an international negotiation.

Clark identified three conceptual domains: *relation to self, relation to authority,* and *relation to risk. Relation to self* encompasses issues of personality and self-concept. Two of Hofstede's dimensions can be linked to this domain. First, individualism/ collectivism refers to the relationship between the individual and the collectivity that prevails in a society. Second, the masculinity/femininity concerns the degree to which "tough values", e.g., assertiveness, success, and competition prevail over "tender" values such as compassion, service, and solidarity, which Hofstede refers to as 'quality of life'. *Relation to authority* reflects the emphasis a society places on hierarchical relations in the family, social class, and reference groups. Hofstede's power-distance dimension can be

linked to this domain since power-distance dimension addresses ideological orientations to authority and behavioral adaptations to authority (Doney, Cannon & Mullen, 1998). Clark's third domain, *Relation to risk,* refers to the perception, evaluation, and experience of risk. Hofstede's uncertainty avoidance can be linked to this domain since uncertainty avoidance addresses the concepts of risk, risk preference, and reliance on risk-reducing strategies.

As stated earlier, this study investigates four aspects of national culture: individualism versus collectivism; low-context versus high-context; small-power distance versus large-power distance, and strong-uncertainty avoidance versus weak-uncertainty avoidance. Although the masculinity femininity dimension may also be relevant in the formation of trust, and consequently in influencing the negotiation tactics of the people of a certain culture, this dimension is excluded since Canada, Mexico, and the United States, the countries being investigated in this study, are all masculine cultures. Therefore, the samples do not provide any variation of this dimension. Another dimension of national culture that has recently been identified by Hofstede (1994) is the time dimension. This study ignores this dimension as well, since all the focal countries being studied in this research possess a similar orientation with respect to time.

A good place to start any discussion on the impact of culture is the fundamental antithesis between individualism and collectivism (Cohen, 1991). Hofstede, in his seminal work (1980, 1981), provides considerable evidence that many aspects of human behavior can be loaded or grouped around these two opposing poles. Earlier, Triandis (1972) had also written extensively on this dichotomy. Individualistic cultures nurture equality, freedom, the development of the individual personality, self-expression, personal enterprise, and achievement. In an individualistic culture, individual rights, and

not duty to one's family or community as in a collectivist culture, are paramount. Affiliation with a group in such a society is a matter of choice, and not compulsion. Unlike collectivist societies, status is acquired, and not inherited. Rights and duties are defined by law, not by ascriptions, and contract, not custom, determines an individual's obligation to a given transaction, role, or course of action (Cohen, 1991). Finally, an adversarial approach to debate is common in politics, education, and also in business. Presentation of arguments in a logical and persuasive manner is accepted and admired. On the other hand, in a collectivist society, roles are ascribed and people are strongly status conscious. One's primary relationship and loyalties are inherited, in-group, and often lifelong. Conflict is resolved not by resorting to heated arguments, but by mechanisms of communal conciliation, showing less concern for abstract principles of absolute justice and more for continuing harmony and peace.

The second cultural dimension to be investigated is the dichotomy of low-context and high-context cultures proposed by Hall (1960, 1973, 1976). High-context communication is associated with key elements in the collectivistic ethic described in the previous paragraph. "A high-context culture communicates allusively rather than directly" (Cohen, 1991, p. 25). The message is conveyed not only through the explicit message, but also by surrounding non-verbal cues and nuances of meaning. People in high-context cultures usually avoid loss of face (humiliation before the group) at all costs. In a low-context culture, on the other hand, the message is very unambiguous and clear. People in high-context cultures are very careful with the use of words. As opposed to the proverb of a low-context culture, "Sticks and stones may break my bones, but words will never hurt me," in a high-context culture, people generally subscribe to the belief, "Words are sharper than swords" (McFarlin & Sweeney, 1998). Because of these

opposing ways of communicating a message, negotiation between a person from a high-context culture and a person from a low-context culture can run into problems.

Strong versus weak uncertainty avoidance is another important cultural dimension identified by Hofstede (1980, 1981). As the label "strong uncertainty avoidance" suggests, people from such cultures, compared to people from weak uncertainty avoidance cultures, are more risk averse, and as such, are likely to be more concerned with the outcome of a negotiation. People from strong uncertainty avoidance cultures are also suspicious of foreigners and have low readiness to compromise with opponents, while people from low-uncertainty avoidance cultures are more receptive to foreigners and are more prepared to compromise with opponents. Therefore, the negotiation behavior of a person from a weak uncertainty avoidance and a person from a strong uncertainty avoidance culture are likely to vary significantly.

Power distance within a society often shows how much trust a person is willing to place on another person. Power distance affects the way people behave in an exchange relationship. Doney, Cannon, and Mullen (1998) posit that the incidence of opportunism and coercion, which breeds unethical behavior in a negotiation, is much higher in large-power distance countries than in small-power distance countries. Therefore, people from large- and small-power distance countries are likely to exhibit different ethical behavior in international negotiations.

Negotiation behavior is tactical (Rao & Schmidt, 1998). Negotiation tactics in varied contexts, such as simulations, interpersonal bargaining within firms, international business, and marketing channels (Adler & Graham, 1989; Bacharach & Lawler, 1981; Deluga, 1991; Kipnis & Schmidt, 1983) have been discussed quite extensively. However, it is difficult to synthesize the research on negotiation tactics because of the "plethora of deductive and inductive classification" used in these studies (Rao and Schmidt, 1998). A classification of negotiation tactics proposed by Lewicki and his associates (1985, 1985, 1996) provides a parsimonious classification of negotiation tactics. In investigating the

role of national culture and trust in an international negotiation behavior, this study specifically address the following tactics:

1) False Promises (i.e., misleading intentions)
2) Misrepresentation of Information (i.e., misleading arguments)
3) Traditional Competitive Bargaining (i.e. high demands, low concessions)
4) Attacking Opponent's Network
5) Inappropriate Information Gathering
6) Tacit Bargaining

The first five dimensions were developed by Robinson, Lewicki & Donahue (1996) based on an earlier work by Lewicki (1983). Subsequently, the validity and reliability of these dimensions were established through statistical tests in several studies (Lewicki & Robinson, 1998, 1985; Lewicki & Stark, 1996; Robinson *et al.*, 1996). These dimensions, including the first five dimensions as described by Robinson *et al.* (1996), are discussed below.

False Promises: The negotiator states his/her intentions to perform some act, but has no actual intentions to follow through. Bluffs can generally be described as false promises and false threats.

Misrepresentation of Position to an Opponent: The negotiator distorts his/her preferred settlement point in order to achieve a better outcome. A buyer, intending to purchase an automobile, may tell the seller that he can only afford $ 3,000, when in fact he is willing to spend up to $4,000. Misrepresentation is perceived as necessary in order to create a rationale for the opponent to make concessions.

Traditional Competitive Bargaining: Competitive bargaining includes tactics such as hiding the real bottom line from the opponent; making an opening demand so high/low that it seriously undermines the opponent's confidence in his/her own ability to negotiate a satisfactory settlement.

Attacking Opponent's Network: The negotiator tries to create dissension in his/her opponent's network. He/she also tries to lure his/her opponent's people to join his/her group.

Inappropriate Information Gathering: The negotiator attempts to gain information that he/she can not get from the opponent from friends/associates and contacts of his/her opponent by giving them gifts/doing them favors etc.

Tacit Bargaining: Communication is conducted in a non-explicit form in tacit bargaining. The messages are passed between the negotiators in the form of hints, signs, and obscure imitations (Wall, 1985). According to Schelling (1960), tacit bargaining is typically used when negotiating parties do not trust each other in an explicit negotiation.

An Extended Version of CTB Model

It was noted by Fukayama (1995) that the social structures within societies differ with respect to the extensiveness of trust in which members of those societies may naturally engage. This is evident in different studies that investigated the impact of different cultural dimensions of conflict resolution behavior.

The individualism-collectivism construct has been shown to affect work values, cognition, communication, conflict resolution, and distributive behavior of people (e.g., Hofstede, 1980; Hui and Triandis, 1986; Lituchy, 1997). Trubisky, Ting-Toomey, and Lin (1991) argued that differences in conflict resolution style among people from different countries can be accounted for in terms of individualism-collectivism dimension. People from collectivist cultures behave very differently toward outgroups as compared to ingroups (Triandis, 1972). An ingroup is a group to which a person belongs (e.g., family, club, organization, or country). An outgroup is a group to which the person does not belong (e.g., another family, club, organization, or country). While collectivist

people are very trusting and empathic toward their in-group members (Brewer & Silver, 1978) and behave very cooperatively with them (Hsu, 1983), they tend to be very competitive with outgroup members. They have been known to "do whatever they can get away with" (Triandis & Vassiliou, 1972) when interacting with individuals who are considered outgroup members. On the other hand, people from individualistic cultures do not make distinctions between in-group and out-group members. In a laboratory experiment, Lituchy (1997) showed that Japanese negotiators negotiated very competitively with American negotiators as compared to Japanese negotiators, while American negotiators did not show any significant difference between their negotiation with American and Japanese negotiators. Ting-Toomey (1988) proposed that members of the collectivist cultures perceive and manage conflict and negotiations differently from those in individualistic cultures. This proposition was later confirmed in a study by Trubisky, Ting-Toomey, and Lin (1991) and was again reconfirmed in another study involving Canadians and Chinese (People's Republic of China) by Tse, Francis and Walls (1994). Individuals from collectivist cultures may find it difficult to be open in the same manner as those from individualistic cultures. Their concern might not be with openness and transparency so much as with not hurting their counterparts' feelings or with saving face and not embarrassing themselves or others. In situations involving such behaviors, trust between the parties may be jeopardized (Brenkert, 1998a). It can, therefore, be argued that collectivistic people, as compared to individualistic people, are likely to put less trust on a foreign negotiator than they would have reposed on a negotiator from their own country.

People from low-context and high-context cultures display their trust toward people in different ways (Hsu, 1970). These differences are largely determined by

whether people are regarded as in- or-out group members (Chua & Gudykunst, 1987). According to *social attribution theory*, group identification typically leads to differences in treatment and perception of "outgroup" members relative to in-group members (Tajfel & Billing, 1974; Doise *et al.*, 1972; Turner, 1978). The perspective of *social identity theory* is that different processes operate when individuals from different groups interact (Tajfel & Turner, 1979; Hewstone & Jesper, 1982; Tajfel, 1984). Since people from low-context cultures, compared to people from high-context cultures, are more straight-forward and explicit in their dealings and are less concerned with loss of face, it can be argued that negotiators from low-context cultures are likely to repose more trust in a foreign negotiator than the level of trust that negotiators from high-context culture would repose on a foreigner.

People from strong uncertainty avoidance cultures show "greater aggressiveness" toward foreigners (Hofstede, 1980, p. 186) and are less willing to make an "individual and risky decision" (Hofstede, 1980, p. 187). Lewicki and Bunker (1995) suggest that the calculations required for forming trust may be shaped by orientation toward risk. Bazerman (1994) argues that the extent of uncertainty (risk) a society considers tolerable often influences its members' economic rationality. Therefore, the risk orientation of a culture may influence its members in their assessment of costs/rewards associated with opportunistic behavior (Doney, Cannon & Mullen, 1998). Weak uncertainty avoidance cultures tolerate a wide range of opinions and behaviors (Kale & Barnes, 1992). Therefore, people from such cultures, as opposed to people from strong uncertainty avoidance cultures, are more likely to be open to foreigners, even though foreigners have different opinions and behavioral patterns. As such, it can be argued that compared to negotiators from weak uncertainty avoidance cultures, negotiators from strong

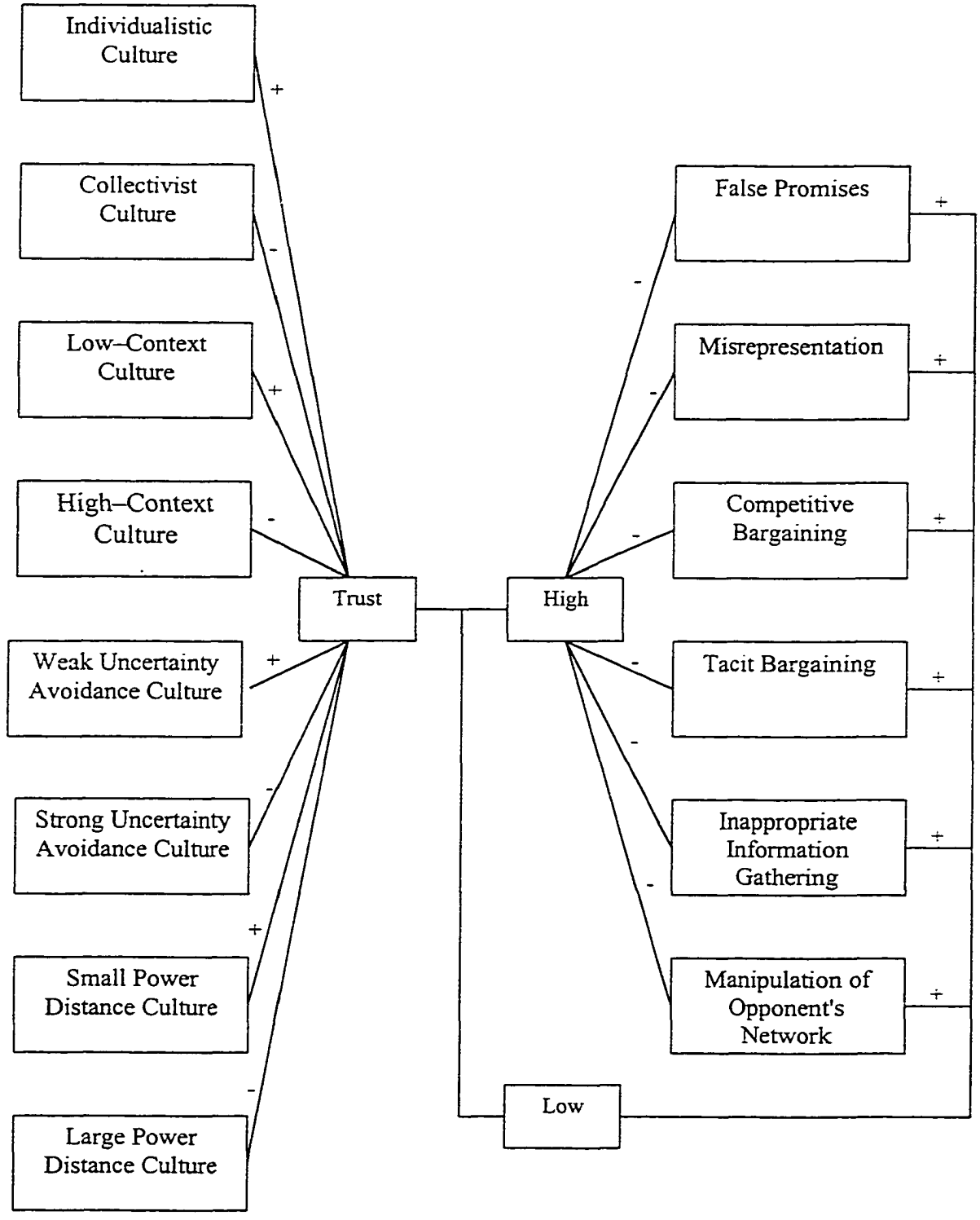
uncertainty avoidance cultures would show less trust toward negotiators from foreign countries.

Williams, Whyte, and Green (1966) found that the power distance dimension is closely associated with the willingness to place faith in others. They also found that power distance affects the way people behave in an exchange relationship. Large power distance societies may build obligations into societal roles, creating codes of conduct that reinforce collective behavior through relational sanctions (Rousseau *et al.*, 1998). On the other hand, in small power distance societies, such as in the USA and Canada, mechanisms that support interactions, including stable employment, network ties, and laws protecting property rights of individuals and firms may help develop trust (Noteboom, Berger & Noorderhaven, 1997). In small power distance cultures, people are more likely to consult with others and act less opportunistically, whereas in large power distance societies, the exercise of power and use of coercion occur quite frequently (Kale & McIntyre 1991). Earlier, John (1984) had empirically demonstrated that the use of power and coercion gives rise to opportunistic behavior. Doney, Cannon & Mullen (1998) posit that opportunism, which signals an absence of mutual trust, is less likely in small power distance cultures, since such cultures tend toward a natural sharing of power and more participative decision making. Since people approach interactions based on their own orienting values (Jones & George, 1998), it can be argued that people from the small power distance countries, in comparison to the people from large power distance countries, will place more trust in a foreign negotiator, and consequently, behave more ethically.

Based on the above discussion, the following relationship among culture, trust, and negotiation behavior is presented in the extended ***CTB*** model. The extended version

Figure 2

An Extended CTB Model



of the ***CTB*** model as depicted in Figure 2 shows that individualism, low-context, small power distance, and weak uncertainty avoidance lead to high levels of trust, whereas collectivism, high-context, large power distance, and strong uncertainty avoidance lead to low levels of trust. The ***CTB*** model also shows negative relationships between high level of trust and the six unethical tactics and positive relationships between low trust and the six unethical negotiation tactics.

Propositions

Stated in formal fashion, this study proposes ten propositions concerning the inter-relationships among culture, trust, and negotiation behavior. In the model, ethical behavior is considered to be embedded in the negotiation behavior. Based on the ***CTB*** model presented above, the following propositions are proposed:

P_1: Compared to negotiators from collectivist cultures, negotiators from individualistic cultures will display more trust toward their foreign opponents.

P_2: Compared to negotiators from high-context cultures, negotiators from low-context cultures will display more trust toward their foreign opponents.

P_3: Compared to negotiators from strong-uncertainty avoidance cultures, negotiators from weak-uncertainty avoidance cultures will display more trust toward foreign opponents.

P_4: Compared to negotiators from large-power distance cultures, negotiators from small-power distance cultures will display more trust toward foreign opponents.

P_5: There is a negative relationship between level of trust and competitive bargaining.

P_6: There is a negative relationship between level of trust and attack on an opponent's network.

P_7: There is a negative relationship between level of trust and making false promises.

P_8: There is a negative relationship between level of trust and misrepresentation.

P_9: There is a negative relationship between level of trust and inappropriate information collection.

P_{10}: There is a negative relationship between level of trust and tacit bargaining.

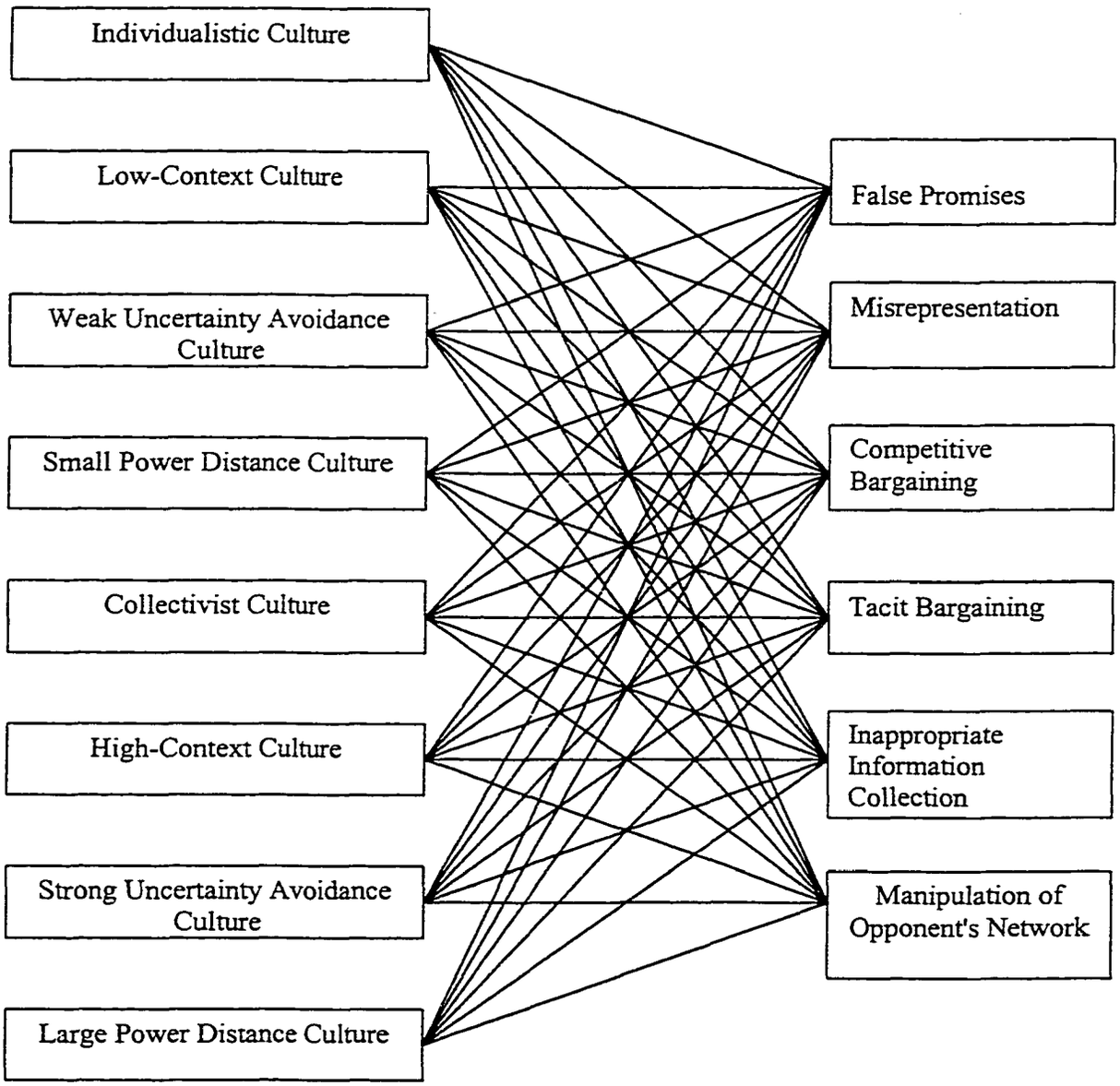
A Rival Model

Although testing a rival model to assess the validity of a conceptual model is a new idea, there are multiple instances in different areas of behavioral research (see for example, Morgan & Hunt, 1994) where researchers propose a rival model and compare the statistical results pertaining to the rival model with those pertaining to the original model. In case of the original ***CTB*** model proposed here, it will not be possible to isolate the mediating impact of trust from other factors. Therefore, a rival model is also proposed. Trust as a mediating variable is removed from the rival model. Since the extremely parsimonious original ***CTB*** model does not permit any direct path from any of the nodes (the dimensions of cultures) to any of the outcomes (the negotiation tactics), the model implies a central nomological status for trust. A nonparsimonious rival view that is equally extreme would be one positing only direct paths from each of the precursors to the outcomes. This is what the rival model depicts.

The rival model, which is depicted in Figure 3, does not allow any indirect effects; in other words, trust is not allowed to mediate in any of the relationships. The rival model shows 48 relationship— eight arches going from each of the eight nodes. The arches that go from the first four nodes have a negative relationship with the outcomes, while the arches flowing out of the last four nodes have a positive relationship with the

Figure 3

A Rival Model



outcomes. In order to simplify the empirical investigation, the USA and Mexico are taken as proxies for the two sets of nodes. The USA represents the first four antecedents: Individualism, low-context, weak-uncertainty avoidance, and small power distance. On the other hand, Mexico represents the last four antecedents: collectivism, high-context, strong-uncertainty avoidance, and large power distance. In Hofstede's (1981) original study, the individualism index was 30 for Mexico and 91 for the USA (p. 222). The same study showed that the uncertainty avoidance index was 46 for the USA and 82 for Mexico (p. 165), while the power distance index was 40 for the USA and 81 for Mexico (p. 111). These figures put Mexico and the USA on opposite poles. Hall (1973, 1976) found Mexico to be a high-context culture, and the USA to be a low-context culture. Although these studies are somewhat dated, a subsequent study by Minor and Ramachandran (1995) shows that these dimensions and the positioning of various countries along these dimensions in the original studies are still generally valid. Since the USA and Mexico are in opposite poles in all these four dimensions that are being examined in this study, the USA and Mexico are natural choices as proxies for testing the rival model.

Based on the relationship posited in the rival model and the choice of the USA and Mexico as proxies for the antecedents, the following hypotheses are proposed:

H_1: Compared to negotiators from the USA, negotiators from Mexico will engage in more false promises.

H_2: Compared to negotiators from the USA, negotiators from Mexico will engage in more misrepresentation.

H_3: Compared to negotiators from the USA, negotiators from Mexico will engage in more competitive bargaining.

H_4: Compared to negotiators from the USA, negotiators from Mexico will engage in more tacit bargaining.

H_5: Compared to negotiators from the USA, negotiators from Mexico will engage in more attacking of an opponent's network.

H_6: Compared to negotiators from the USA, negotiators from Mexico will engage in more inappropriate information gathering.

CHAPTER III

METHODOLOGY

[M]ethodology poses greater problems in cross-national than in single nation research. This may be because there is greater variance in philosophies and research approaches among cross-national than singl- nation researchers.

Roberts & Boyacigiller, 1984

This study is based on a pre-experimental design. To empirically test the hypotheses derived from the propositions, this study employed an attitude questionnaire developed from the literature. To administer the questionnaire in French Canada and Mexico, the questionnaire was translated into both Spanish and French by people who are bilingual and are involved with marketing research. The translated versions of questionnaire were then back-translated by different people. In translating the questionnaire, efforts were made to ensure equivalence, and not just literal translation. The questionnaire went through several iterations of the translation process before it was deemed to be usable. Names of the people who helped with the translation are provided in Appendix -5. The English speaking Canadian (Anglophone) respondents were sent the same version used in the USA. However, the English version of the questionnaire was shown to several Canadian marketing researchers and professors to ensure functional equivalence of the instrument in Canada. The samples from the province of Quebec were

sent the French version of the questionnaire. Samples from other provinces whose names indicated French ethnicity were also sent the French version of the questionnaire.

SAMPLE AND METHOD OF DATA COLLECTION

Systematic samples were used for the study. However, to ensure representativeness of the samples and generalizability of the study, samples were selected from different geographic regions of each of the focal countries, i.e., Canada, Mexico, and the USA. Members of the different Chambers of Commerce and Industries of three or four major cities in each of these countries were chosen as samples. For the USA, samples were selected from the members of Chambers of Commerce of New York Manhattan area, greater Boston area, Houston, and Seattle. For Mexico, samples were selected from the members of Chambers of Commerce of Mexico D.F., Monterrey, Guadalajara-Jalisco, and the Mexican-American National Chambers of Commerce. A database of the Bancomext, which contains the largest database of Mexican exporters and importers, was also used to select samples from Mexico. For Canada, samples were selected from the members of Chambers of Commerce of Toronto, Montreal, Victoria (British Columbia), Fredericton (New Brunswick), and Calgary (Alberta). These cities were chosen because of their commercial significance. 400 samples were selected from the USA and Canada. Because of typical low response rate in Mexico (Kotabe, 1999), 600 samples were selected from Mexico. In selecting the samples, only those members were selected whose profile indicates some form of international business such as export, import, joint venture, licensing, foreign operations etc. All other members of the selected chambers, such as, barber shops, hospitals, schools, body spa and massage center, restaurants, etc. were excluded from the samples.

Since this study investigates the level of trust and ethical behavior toward foreign negotiators relative to negotiators from home country, two separate sets of questionnaires were administered - one dealing with intra-cultural negotiation and the other with inter-cultural negotiation. The respondents in each of the three countries were randomly divided into two groups. One group was sent the questionnaire where they were requested to assume that they are negotiating with someone from their country (Set A). The second group was sent the questionnaire where they were requested to assume that they are negotiating with someone from the Maldives (Set B). Maldives was chosen for a number of reasons. First, all the countries being studied in this research are physically distant from the Maldives. Maldives, which lies south-west of India, is a small island nation located in the Indian Ocean. Second, the island of Maldives is likely to have similar psychic distance from each of the countries being studied. Although, Maldives was a British protectorate for a brief period, unlike most of the other South Asian countries, it was never under direct British rule. Maldives does not have any past colonial ties with either England or Spain which could have potentially created some bias in the responses of Canadian and Mexican respondents, nor does it currently have a strong trading relationship with any of the countries being studied. Hence, all the countries are likely to have similar psychic distance with Maldives. Third, Maldives is not very active in sports or in any international organizations which might make it very well known to the respondents. There are hardly any non-resident Maldivians in any of the countries being studied. So, in general, respondents from no single country can have better knowledge about Maldives than the respondents from other countries. To further ensure that there is sufficient guard against any bias, all respondents were asked a filter question if they

know anyone from Maldives. It was decided that if any respondent seems to know anyone from Maldives, his/her response would be excluded from the analysis.

INSTRUMENT

The study analyzes attitudinal data collected from the samples. The questionnaire has three parts. The first part contains statements that measure the level of trust of the respondents toward their opponents. Respondents were requested to express their opinion on a seven-point scale. The first part of the questionnaire contains six questions to measure the reposed level of trust and the displayed level of distrust (toward a negotiator) of the respondents. This part of the questionnaire was developed based on a thorough literature review, and especially the work of Rotter (1967) and Dwyer and Oh (1987). Of the six statements, three statements relate to trust while the remaining three relates to distrust.

The second part of the questionnaire is concerned with measuring the likelihood of use of certain unethical tactics by the respondents in a negotiation. Since negotiation is a process of exchanging and communicating information in a persuasive manner, unethical behavior during a negotiation process results from dishonest communication (Lewicki & Robinson, 1998). Therefore, in finding out the likelihood of unethical behavior, the second part of the questionnaire is mainly concerned about the dishonesty by negotiators in communicating their messages to their opponents. This part of the questionnaire originally contained nineteen statements concerning the likelihood of use of certain negotiation tactics that are commonly used by negotiators. Out of these nineteen statements, sixteen statements are taken from the "Self-reported Inappropriate Negotiation Strategies Scale" (SINS) developed by Robinson *et al.* (1996). These sixteen

statements were selected from a larger list of thirty items, which were earlier compiled by Lewicki (for details, see Lewicki, 1983). Of the remaining three statements, one was dropped after the pre-tests.

Lewicki used two criteria in creating the list of these sixteen statements. In the words of Lewicki (1998), "first, the tactic had to be a relatively common one which could be used in a variety of negotiation situations, i.e., it was not unique to any one negotiation context (e.g. , real-estate, buying an automobile), or type of dishonesty (e.g., bluffing, falsifications etc.). Second, the tactics had to differ in the apparent magnitude of the dishonesty involved" (p. 668). Robinson *et al.* (1996) validated these sixteen items by testing the questionnaire among the students of Ohio State University and Harvard Business School (for details, see Robinson *et al.* 1996). The samples of the original study included students from the USA as well as foreign students from different cultures. The remaining three questions of this part were developed from the literature.

The third part of the questionnaire contains biographical and some filter questions, which were incorporated to help organize the data and stratify the samples in different groups.

Respondents who were given set A questionnaire were requested to assume that they are negotiating with an unknown businessperson from their own country. Following Lewicki and Robinson (1998), all respondents were asked to judge the statements from the perspective that they are about to enter into a negotiation for something which is very important to their business. They were further requested to assume that the opponent is of his/her sex, and that he/she is unknown to the negotiator, and that they are negotiating for the first time with each other. In the first part, respondents were requested to indicate their agreement/disagreement with the statements concerning extension of trust towards

their opponents. In the second part, they were asked to indicate the appropriateness and likelihood of use of the tactics. Following Robinson *et al.* (1996), to avoid social desirability bias in the responses, these tactics in the questionnaire are described as "questionable" rather than as "unethical." No information about the negotiation context (the negotiator's own personal motivations, the specific issues being negotiated, relationship between the parties, or other contextual factors) is provided which might influence the responses. Set B questionnaires are identical to those of set A, with the only difference that respondents who were given set B questionnaires were requested to assume that they are negotiating with someone from the Island of Maldives. Set B questionnaires also contain a brief description about the location of the Island of Maldives. The third part of the set B questionnaires has one extra filter question that asks the respondent about his/her familiarity with the people of Maldives.

To ensure the nomological validity, it was necessary that while filling out the questionnaire, a respondent remembers the background of his/her opponent. The respondents were reminded about the background of the opponent (sex, nationality, and first time negotiation) at the beginning of every section of the questionnaire.

STATISTICAL TESTS

Several standard parametric statistical tests are conducted to empirically test the hypotheses being developed to test the hypotheses. In the first phase, statistical tests are conducted for each of the countries separately. The responses of the two groups of respondents from within each of the focal countries are then compared to assess whether there is any significant difference between their intra-cultural and cross-cultural negotiation behavior. In the second phase, statistical tests are carried out to find out if

there is any similarity/difference in the responses among the respondents of the three countries. In the third phase, statistical tests are conducted among the respondents across age, education, length of work experience, and income level with respect to their likelihood of use of different negotiation tactics. These tests will provide answers to the supplementary research questions discussed in chapter I.

To empirically test the hypotheses, several statistical tests were conducted. First, descriptive statistics are computed to determine the means and standard deviation for the likelihood ratings of each tactic. Second, to determine whether the tactics cluster together in the same manner they clustered in previous studies, confirmatory factor analyses were conducted separately for each of the focal countries. Following Lewicki and Robinson (1998), a principal component analysis with a varimax rotation is used. Third, Pearson's correlation was computed to measure relationship between trust and each of the six categories (since the factor analysis during the pre-tests yielded the same six factors) of unethical behavior. Fourth, multiple analyses of variance (MANOVA) were computed to find if there are significant differences across cross-cultural and intra-cultural negotiation behavior with respect to the likelihood of use of six negotiation tactics. Separate MANOVAS were computed for each of the countries. Where appropriate, one way ANOVA was also computed. Finally, in addition to multiple correlation, regression analyses were also conducted to find out if there is any relationship between likelihood of use of the six categories of negotiation behavior across age, income level, education, length of work experience, and nationality.

Since this study involves respondents from three different countries, it is very difficult to conduct any non-response analysis. In marketing research, it is very common to consider the late respondents as a proxy for non-respondents. In cross-cultural

marketing research, researchers mail questionnaires in waves and compare the responses from different waves (for example, see Singh, 1990, p. 62). If no significant difference is found between/among different waves, then it is assumed that the responses of the non-respondents would not have been significantly different from those of the respondents. For this study, questionnaires were mailed in two different waves in each of the countries and responses received from each wave in each of the different countries were compared for non-response analysis.

PRETEST

To validate the instrument used in this study, pre-tests were conducted in the USA and in Mexico. The very nature of the study required that the questionnaire be administered into two cultures which are very different from each other. Canada is very similar to the USA in all the cultural dimensions being investigated in this study. Canada, like the USA, is an individualistic country. It is also a low-context, weak-uncertainty avoidance, and small-power distance country like its southern neighbor, the USA. Mexico, on the other hand, is the only country among the three focal countries which represents a collectivistic, high-context, strong-uncertainty avoidance, and large-power distance culture. Mexico is, therefore, an obvious choice to pretest the questionnaire. Since both the USA and Canada are very similar in their cultural dimensions and since there were budgetary and time constraints, a decision was made to limit pre-tests only to Mexico and the USA. To validate the questionnaire as well as to find the relationship, if any, among national culture, trust, and unethial behavior, two pre-tests were conducted using students samples. Findings of the pre-tests are discussed in the following chapter. For the purpose of the pre-tests, a set of hypotheses was derived from the propositions.

HYPOTHESES FOR THE PRE-TESTS

Hypotheses non-fingo (I do not frame hypotheses).

Isaac Newton

For the purpose of the pre-test, seven hypotheses are developed from the propositions discussed in the preceding chapter. Since Mexico and the USA are used as proxies for the two opposing poles of the four cultural dimensions being studied, the first four propositions could be tested by a single hypothesis. Hypothesis 1, therefore, relates to the first four propositions. The remaining six hypotheses relate to the last six propositions (i.e., from propositions 5 to 10).

The hypotheses developed from the propositions are:

H_1 : Relative to US respondents, Mexican respondents will display less trust toward a foreign negotiator as compared to a Mexican negotiator.

H_2: Relative to US respondents, Mexican respondents will engage in more competitive bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.

H_3: Relative to US respondents, Mexican respondents will engage in more attack on the opponent's network in cross-cultural negotiations as compared to intra-cultural negotiations.

H_4 : Relative to US respondents, the Mexican respondents will make more false promises in cross-cultural negotiations as compared to intra-cultural negotiations.

H_5 : Relative to US respondents, Mexican respondents will engage in more misrepresentations in cross-cultural negotiations as compared to intra-cultural negotiations.

H_6: Relative to US respondents, Mexican respondents will engage in more inappropriate information gathering in cross-cultural negotiations as compared to intra-cultural negotiations.

H_7: Relative to US respondents, Mexican respondents will engage in more tacit bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.

CHAPTER IV

PRETEST FINDINGS AND DISCUSSION

Is there any question to my answer?

Henry Kissinger

The purposes of conducting pre-tests for this study were two fold:

i) to validate the survey instrument to be used in the study;

ii) to find out if there is general support for the hypotheses which were developed to find answers to the research questions of this study.

The pre-tests were conducted in the USA and in Mexico using student samples. Although the use of a student sample is viewed with skepticism in business research, the use of student samples in a pre-test for validating a questionnaire is common (Robinson *et al.*, 1996).

Questionnaires were distributed among the students enrolled in the bachelors program in business in the University of Texas-Pan American (UTPA), Edinburg, Texas and in the Universidad de Monterrey (UdeM), Monterrey, N.L., Mexico. Students were randomly divided into two groups of equal size. Two different sets of questionnaires, one

dealing with intra-cultural negotiations and one dealing with cross-cultural negotiations, were given to these different groups of students.

A total of 93 usable responses were collected from the UTPA while 84 usable responses were collected from UdeM. Of the 93 US responses, 39 were males and 54 were females, while in Mexico, 47 respondents were males and the remaining 37 were females. Of the 93 US responses, 50 were concerned with intra-cultural negotiations, while the remaining 43 were concerned with cross-cultural negotiations. Of the 84 Mexican responses, 43 were concerned with intra-cultural negotiations , while the remaining 41 were concerned with cross-cultural negotiations.

A factor analysis was performed on the items to check if the items cluster together in the same way they clustered together in the SINS scale. A principal component analysis was performed on the items of Part 2. A principal component analysis with a varimax rotation was used. This is the least complicated of factoring procedures and has the advantage of using all of the item score variance (Hair *et al.*, 1996; Lewicki & Robinson, 1998). Following Lewicki & Robinson (1988), only factor loadings with absolute value of 0.40 on any factor were considered. Separate factor analyses were conducted for the US and the Mexican data. In both cases, using an eigenvalue greater than 1.0, six factors were extracted. Five factors identified by Robinson *et al.* (1998) came out as expected. However, the items loading to tacit bargaining had low values. The results of the principal factor analyses are provided in Table 1 and Table 2.

Separate Cronbach alphas were calculated for each of the factors. For the US data, the Cronbach alphas are as follows: traditional competitive bargaining .78; attack on opponent's network .83; false promises .80; misrepresentations .87; inappropriate

TABLE 1 (Mexican Data)
PRINCIPAL COMPONENT ANALYSIS

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Make an opening demand that is far greater than what I really hope to settle for.	.710					
Convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.	.576	.413				
Make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.	.527					
Promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.		.846				
In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.		.455				
Guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.		.628				
Attempt to get my opponent fired from his/her position so that a new person will take his/her position.			.880			
Threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.			.479			
Talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.			.838			

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.	.399			.721		
Intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.				.752		
Deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.				.538		
Intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.				.825		
Gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.					.783	
Gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."					.509	
Try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates.					.628	
Display my dissatisfaction by not attending the scheduled negotiation session.						.809
Use a lot of non-verbal language (such as gesture, posture, facial expression, voice intonations etc.) to make my message clear.						.863

* Following Lewicki *et al.* (1996), only loadings with absolute ratings higher than 0.400 are reported.

Factor Lables:

1) Competitive Bargaining
2) False Promises
3) Attacking Opponent's Network
4) Misrepresentation
5) Inappropriate Information Gathering
6) Tacit Bargaining

TABLE 2 (U.S. Data)
PRINCIPAL COMPONENT ANALYSIS

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Make an opening demand that is far greater than what I really hope to settle for.	.726					
Convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.	.539					
Make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.	.835					
Promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.		.775				
In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.		.527				
Guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.		.746				
Attempt to get my opponent fired from his/her position so that a new person will take his/her position.			.625			
Threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.			.532			
Talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.			.594			

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.	.410			.608		
Intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.				.550		
Deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.				.645		
Intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.				.515		
Gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.					.628	
Gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."					.656	
Try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates.					.598	
Display my dissatisfaction by not attending the scheduled negotiation session.						.558
Use a lot of non-verbal language (such as gesture, posture, facial expression, voice intonations etc.) to make my message clear.	.521					.679

* Following Lewicki *et al.* (1996), only loadings with absolute ratings higher than 0.400 are reported.

Factor Lables:

1) Competitive Bargaining
2) False Promises
3) Attacking Opponent's Network
4) Misrepresentation
5) Inappropriate Information Gathering
6) Tacit Bargaining

information collection .79; and tacit bargaining .84. Initially, the alpha for tacit bargaining was .66. After dropping one item, it increased to .84. For the Mexican data, the Cronbach alphas are as follows: traditional competitive bargaining .77; attack on opponent's network .78; false promises .76; misrepresentations .82; inappropriate information collection .76; and tacit bargaining .73. Initially, the alpha for tacit bargaining was .48. After dropping the item, which was also dropped for the US data, the Cronbach alpha for items of tacit bargaining went up to .73.

For the first part, no factor analysis was conducted as there were only 3 items. Only Cronbach alpha was computed. For the USA, the Cronbach alpha for trust was .93, while for Mexico, the figure was .87. The results of Cronbach alpha computations are provided in Appendix - 6.

Descriptive statistics were computed to determine the means and standard deviations for the construct "trust" as well as for the likelihood ratings of the tactics. As hypothesized in H_1, with respect to reposing trust on an opponent, the response of the US respondents were very similar in both intra-cultural and cross-cultural negotiations. The mean and standard deviation for trust with respect to intra-cultural negotiation of the US respondents are 4.24 and .34 respectively, while the mean and the standard deviation of trust for cross-cultural negotiation are 4.46 and .96. On the other hand, the displayed level of trust of the Mexican respondents toward a foreign negotiator varied considerably from their displayed level of trust to a negotiator from Mexico. The Mexican data shows that the mean and standard deviation for trust with respect to intra-cultural negotiation are 5.18 and .87 respectively, while the mean and the standard deviation of trust for cross-cultural negotiation are 3.2 and .93. The descriptive statistics for the likelihood of use of

negotiation tactics by the US respondents and the Mexican respondents also varied considerably. These figures are reported in Table 3 and Table 4.

Table 3

Likelihood Ratings of Questionable Negotiation Behavior (Mexican Samples)

Tactics	Intra-Cultural		Cross-Cultural	
	Mean	S.D.	Mean	S.D.
Attacking Opp. Network	1.441	.58	3.6	1.26
False Promises	2.03	1.13	4.00	1.13
Inapp. Info. Collection	2.47	1.11	3.92	1.35
Misrepresentation	2.03	1.01	3.8	1.26
Tacit Bargaining	4.06	.69	5.14	.88
Competitive Bargaining	3.18	1.11	4.78	1.31

A careful analysis of the figures reported in Table 3 and Table 4 shows that with respect to various ethical tactics, the Mexican respondents, relative to the US respondents, were quite different in their negotiation with a foreigner as compared to a fellow compatriot. The US responses for the intra-cultural and the cross-cultural negotiations were very similar. This lends general support to the assertions made in hypotheses 2 through 6.

Table 4

Likelihood Ratings of Questionable Negotiation Behavior (US Samples)

Tactics	Intra-Cultural		Cross-Cultural	
	Mean	S.D.	Mean	S.D.
Attacking Opp. Network	2.12	1.55	2.61	1.69
False Promises	2.28	1.41	2.79	1.48
Inapp. Info. Collection	2.25	1.43	2.7	1.5
Misrepresentation	2.39	1.39	2.97	1.72
Tacit Bargaining	2.94	.82	2.94	1.32
Competitive Bargaining	3.8	1.67	3.49	1.48

To assess the relationship between trust and the various questionable tactics, correlation analyses were performed separately. The correlation results, which are reported in Table 5 and Table 6, show that as hypothesized in the study, the level of trust is negatively correlated with the various questionable negotiation tactics. For the Mexican data, trust was found to be **negatively correlated** with all the six factors. The relevant figures are: false promise: .383, attacking opponent's network .207; inappropriate information collection .419; misrepresentation .141; competitive bargaining .38 and tacit bargaining .165. Other than tacit bargaining, all other factors were significantly negatively correlated with trust. Inappropriate information collection was significant at .01 level while the other four factors were significant at .05 level. Although the correlation between trust and tacit bargaining was not found to be negative, the direction was negative which lends credence to the hypothesized relationship. The correlation

results of the US data display similar trends. In the case of US responses, trust was found to be even more strongly negatively correlated with all the six factors. The relevant figures from the US data are: false promise .349; attacking opponent's network .403; inappropriate information collection .404; misrepresentation .546; competitive bargaining .510; and tacit bargaining .194. Similar to the Mexican data, in this set of responses also,

Table 5

Pearsons Correlations (Mexican Data, N = 84)

	Trust	FP	IOG	AON	MRPN	TB	CB
Trust	1.000	-.383*	-.307*	-.419**	-.241*	-.165	-.380*
False Promise (FP)	-.383*	1.000	.407**	.501**	.433**	.270	.601**
Inapp. Info. Gathering. (IOG)	-.307*	.407**	1.000	.445**	.698**	.133	.412**
Attacking Opponent's Network (AON)	-.419**	.501**	445**	1.000	.523**	.182	.569**
Misrepresentation (MRPN)	-.241*	.433**	.698**	.523**	1.000	.327*	.598**
Tacit Bargaining (TB)	-.165	.270	.133	.182	.327*	1.000	.640**
Competitive Bargaining (CB)	-.380*	.601**	.412**	.569**	.598**	.640**	1.000

** Correlation is significant at 0.01 level (2-tailed)
* Correlation is significant at 0.05 level (2-tailed)

Table 6

Pearsons Correlations (US Data, N = 93)

	Trust	CB	AON	FP	IIN	MRPN	TB
Trust	1.000	-.501**	-.403**	-.349*	-.404**	-.546**	-.194
Competitive Bargaining (CB)	-.501**	1.000	.666**	.622**	.748**	.787**	.550**
Attacking Opponent's Network (AON)	-403**	.666**	1.000	.871**	.857**	.900**	.606**
False Promise (FP)	-.349**	.622**	871**	1.000	.859*	.825**	.527**
Inapp. Info. Gathering. (IOG)	-.404**	.748**	.857**	.859**	1.000	.885**	.530**
Misrepresentation (MRPN)	-.546**	.787**	.900**	-.825**	.885**	1.000	.499**
Tacit Bargaining (TB)	-.194	.550**	.606**	.527**	.530**	.499**	1.000

** Correlation is significant at 0.01 level (2-tailed)
* Correlation is significant at 0.05 level (2-tailed)

all the factors except the tacit bargaining were **significantly negatively correlated** with trust. They were all found to be negatively correlated at .01 level. Similar to Mexican data, tacit bargaining showed a negative relationship with trust, although it was not significant.

One of the interesting findings of these analyses is that the Mexican respondents seem to use tacit bargaining in both intra-cultural and cross-cultural negotiations, although they tend to use it more in cross-cultural negotiations. On the other hand, the US respondents do not seem to rely on tacit bargaining in either of the negotiations. This indication signals hope for interesting findings in this regard in the actual study.

Based on the above findings, we can conclude that the pre-test results show general support for all the hypotheses. The results of factor analyses and the reliability tests show that this instrument can be used in the study without running into any major problem. This clears the way to conduct the actual investigation without making much alteration to the instrument or the research design. The only change that is going to be made in the questionnaire is that one of the items (item number 17 in part 2 of the questionnaire) will be deleted. Although no significant relationship between trust and tacit bargaining was found in the pre-test, it is expected that the actual study, which will have a much larger sample size, will reveal a statistically significant relationship between the level of trust and tacit bargaining.

CHAPTER V

DATA ANALYSES AND DISCUSSION OF RESULTS

Questions are never indiscreet. Answers sometimes are.

Oscar Wilde

The purpose of this chapter is to provide a detailed analysis and interpretation of data collected from the samples of the three countries being studied. The analyses of data and the subsequent discussion of the results provide explanations of the relationships among national culture, trust, and the six negotiation tactics that have been hypothesized in this dissertation. The findings also provide the foundations for the managerial and research implications discussed later in this dissertation.

This chapter is divided into three sections. The measurements of the variables are discussed in the first section. The second section provides an analysis of the various statistical techniques used to test the hypotheses and also presents the statistical findings. The third section provides interpretation and discussion of the findings. This section also discusses implications of the findings for practitioners and makes necessary recommendations.

MEASURES

Dependent Variables: The primary dependent variables are the six negotiation behaviors which have been identified from the literature. These six variables (traditional competitive bargaining, false promises, attacking opponent's network, misrepresentation of position, inappropriate information collection, and tacit bargaining) were calculated for each country separately, both for intra-cultural and cross-cultural negotiations. The mean of the summated scores of the items were used for the statistical analysis.

Independent Variables: Nationality, types of negotiations (intra- versus cross-cultural), age, income group, and length of experience were used as the independent variables. Trust was measured in several statistical tests. To measure the mediating role of trust, ideally structural equation modeling techniques should have been used. However, due to small number of participants [111 in intra-cultural (Canada 41, Mexico, 41 and the USA 29) and 114 in cross-cultural (Canada 31, Mexico 43, and the USA 40)], it was not feasible to use LISREL or any other structural equation modeling. As such, the mediating role of trust was measured using regression, multiple correlation, and MANOVA. In the regression analysis, trust was used as a dependent variable with nationality being the independent variable. In the MANOVAs, type of negotiation (i.e., intra- versus cross-cultural) was used as the fixed factor, while the six negotiation tactics were used as criterion variables.

The means of the summated scores of trust related items were used in the statistics. Nationality was coded on an orderly scale with 1 representing Canada, 2 representing Mexico, and 3 representing the USA. Based on self-reported income level, income was coded in an orderly scale into eight categories from 1 to 8, 1 being the lowest income bracket and 8 being the highest income bracket. Similarly, age, education, and

length of negotiation experience were also coded on orderly scales. Several other variables such as gender, types of business, etc., were also dummy coded. However, these variables were not analyzed as an overwhelmingly high number of respondents were males and were from the service sector.

Cultural Dimensions: Hofstede's (1980, 1981) seminal works enable researchers to classify national cultures for comparison on an *a priori* basis (Schaffer &O' Hara, 1995). As explained earlier in the methodology section, based on the works of Hofstede (1980, 1981), Mexico is used as a proxy for collectivism, large-power distance, strong-uncertainty avoidance, and high-context dimensions, while the USA and Canada are used as proxies for individualism, small-power distance, weak-uncertainty avoidance, and high-context dimensions in this study.

ANALYSIS

Sample Characteristics

Out of the 400 questionnaires mailed in Canada, 75 responses were received. 18 mailouts were returned to the researcher due to changes in address of the respondents. The effective response rate for Canada was 19.63 percent. Three responses were not included for analysis as the respondents did not have any international negotiation experience, thereby reducing the number of usable responses to 72. Of these 72 responses, eleven responses were received through the Internet. The electronic responses were considered part of the second wave of responses. Of the 72 responses, 34 came in the first wave, while 38 responses were received in the second wave, including the eleven responses received through the Internet. Of these 72 responses, 41 pertained to intra-cultural negotiations (Set A of the questionnaire), while the remaining 31 pertained to

cross-cultural negotiations (Set B of the Questionnaire). 56 respondents were males. Only four respondents identified themselves as being Francophone. 66 respondents were from the service sector and only four were from the manufacturing sector. Two respondents indicated their involvement with both manufacturing and service.

Out of the 600 questionnaires mailed in Mexico, 84 responses were received, including two responses received by fax. 23 mailouts were returned to the researcher due to changes in address of the respondents. The effective response rate for Mexico was 14.55 percent. Of these 84 responses, 47 came in the first wave, while 37 responses were received in the second wave. Of these 84 responses, 41 pertained to intra-cultural negotiations (Set A of the questionnaire), while the remaining 43 pertained to cross-cultural negotiations (Set B of the Questionnaire). 76 respondents were males, indicating that the business sector in Mexico is still overwhelmingly dominated by men. 72 respondents were from the manufacturing sector, while only 10 were from the service sector, which indicates the dominance of manufacturing sector in Mexico.

Out of the 400 questionnaires mailed in the USA, 73 responses were received, including eight received electronically. Four responses were excluded as the respondents did not have any international negotiation experience. 12 mailouts were returned to the researcher due to address change. The overall response rate for the USA was 18.81 percent. Of these 69 usable responses, 37 came in the first wave, and 32 came in the second wave including the eight responses that were received through the Internet. Of these 69 usable responses, 29 responses were pertained to intra-cultural negotiations (Set A of the questionnaire), while the remaining 40 pertained to cross-cultural negotiations (Set B of the questionnaire). 43 respondents were males, and 26 were females, indicating a gradual inroad of female businesspersons in international business. 61 respondents were

from the service sector and only three were from the manufacturing sector. Five respondents indicated their involvement with both manufacturing and service sectors. Over 43 percent of the US respondents came from the highest income bracket (U.S. $100,00.00 or more per annum) indicated in the questionnaire.

Instrument Validation and Non-Response Analysis

The instrument was validated in two separate pre-tests conducted in Mexico and in the USA. After analyzing the data during the pre-test phase, one statement related to tacit bargaining was deleted. Even though the instrument was validated during the pre-test stage by means of factor analyses using varimax rotation, the same statistical technique was repeated during the actual study for data to recheck if the items cluster together in the same way they clustered together in the SINS scale. A principal component analysis with a varimax rotation was performed on the 18 items of part 2, which clustered together in six different categories during the pre-tests. A principal component analysis with a varimax rotation is the least complicated of factoring procedures and has the advantage of using all of the item score variance (Hair *et al.*, 1996; Lewicki & Robinson, 1998). Following Lewicki & Robinson (1998), only factor loadings with absolute value of 0.400 on any factor were considered. The results of the factor analyses were very similar to the pre-test findings. In all three cases, using an eigenvalue greater than 1.0, six factors were extracted. Six factors came out of the analyses as expected. Three separate factor analyses were conducted, the results of which are presented in Table 7, Table 8, and Table 9.

TABLE 7 (Canadian Data)
PRINCIPAL COMPONENT ANALYSIS

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Make an opening demand that is far greater than what I really hope to settle for.	.639					
Convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.	.609					
Make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.	.841					
Promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.		.834				
In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.		.597				
Guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.		.611				
Attempt to get my opponent fired from his/her position so that a new person will take his/her position.			.698			
Threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.			.491			
Talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.			.714			

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.				.651		
Intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.				.529		
Deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.				.678		
Intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.				.613		
Gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.					.631	
Gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."					.741	
Try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates.					.598	
Display my dissatisfaction by not attending the scheduled negotiation session.						.678
Use a lot of non-verbal language (such as gesture, posture, facial expression, voice intonations etc.) to make my message clear.						.813

* Following Volkema (1999) and Lewicki *et al.* (1996), only loadings with absolute ratings higher than 0.400 are reported.

Factor Lables:

1) Competitive Bargaining
2) False Promises
3) Attacking Opponent's Network
4) Misrepresentation
5) Inappropriate Information Gathering
6) Tacit Bargaining

TABLE 8 (Mexican Data)
PRINCIPAL COMPONENT ANALYSIS

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Make an opening demand that is far greater than what I really hope to settle for.	.696					
Convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.	.584	.404				
Make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.	.637					
Promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.		.861				
In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.		.496				
Guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.		.714				
Attempt to get my opponent fired from his/her position so that a new person will take his/her position.			.780			
Threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.			.567			
Talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.			.843			

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.	.432			.651		
Intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.				.743		
Deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.				.565		
Intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.				.841		
Gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.					.745	
Gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."					.634	
Try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates.					.713	
Display my dissatisfaction by not attending the scheduled negotiation session.						.899
Use a lot of non-verbal language (such as gesture, posture, facial expression, voice intonations etc.) to make my message clear.						.883

* Following Volkema (1999) and Lewicki *et al.* (1996), only loadings with absolute ratings higher than 0.400 are reported.

Factor Lables:

1) Competitive Bargaining
2) False Promises
3) Attacking Opponent's Network
4) Misrepresentation
5) Inappropriate Information Gathering
6) Tacit Bargaining

TABLE 9 (US Data)
PRINCIPAL COMPONENT ANALYSIS

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Make an opening demand that is far greater than what I really hope to settle for.	.734					
Convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.	.611					
Make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.	.888					
Promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.		.841				
In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.		.626				
Guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.		.538				
Attempt to get my opponent fired from his/her position so that a new person will take his/her position.			.715			
Threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.			.592			
Talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.			.617			

	Rotated Factor Loadings*					
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.				.632		
Intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.				.529		
Deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.				.635		
Intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.				.579		
Gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.					.597	
Gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."					.697	
Try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates.					.561	
Display my dissatisfaction by not attending the scheduled negotiation session.						.632
Use a lot of non-verbal language (such as gesture, posture, facial expression, voice intonations etc.) to make my message clear.						.731

* Following Volkema (1999) and Lewicki *et al.* (1996), only loadings with absolute ratings higher than 0.400 are reported.

Factor Lables:

1) Competitive Bargaining
2) False Promises
3) Attacking Opponent's Network
4) Misrepresentation
5) Inappropriate Information Gathering
6) Tacit Bargaining

The findings reconfirm the validity of the instrument and the use of six factors to explain the likely negotiation behavior of the respondents. In addition to factor analyses, the reliability (Cronbach alpha) of each of the factors and trust were calculated. The Cronbach alphas computed from the aggregate responses are as follows: trust .8261; traditional competitive bargaining .8567; attack on opponent's network .8595; false promises .8257; misrepresentations .899; inappropriate information collection .8532; and tacit bargaining .7732. The reliability scores of five out of six factors easily satisfy the minimum requirement as recommended by Peterson (1994) and Nunnally (1978) for exploratory studies like this.

As mentioned earlier, questionnaires were mailed in two different waves. The responses of the two waves were compared to analyze whether any potential non-response error existed. Separate MANOVAs were performed for both intra-cultural and cross-cultural negotiations for all the three countries comparing the means of the seven constructs. A total of six MANOVAs were performed. No significant differences were found among the waves. Of the 42 (3 X 2 X 7) comparisons, a difference was found only in one comparison. Therefore, it was assumed that the study does not suffer from non-response error. The results of the non-response analysis are provided in Appendix 10.

Results of the Main Study

Before discussing the results, it is imperative to revisit the propositions. The propositions drawn from the ***CTB*** model are.

Propositions

P_1: Compared to negotiators from collectivist cultures, negotiators from individualistic cultures will display more trust toward their foreign opponents.

P_2: Compared to negotiators from high-context cultures, negotiators from low-context cultures will display more trust toward their foreign opponents.

P_3: Compared to negotiators from strong-uncertainty avoidance cultures, negotiators from weak-uncertainty avoidance cultures will display more trust toward foreign opponents.

P_4: Compared to negotiators from large-power distance cultures, negotiators from small-power distance cultures will display more trust toward foreign opponents.

P_5: There is a negative relationship between level of trust and competitive bargaining.

P_6: There is a negative relationship between level of trust and attack on an opponent's network.

P_7: There is a negative relationship between level of trust and making false promises.

P_8: There is a negative relationship between level of trust and misrepresentation.

P_9: There is a negative relationship between level of trust and inappropriate information collection.

P_{10}: There is a negative relationship between level of trust and tacit bargaining.

Hypotheses for the Main Study

Similar to the pre-tests, seven hypotheses are developed from the propositions. However, the pre-tests were limited to the USA and Mexico. Since the main analyses involve Canada, Mexico, and the USA, the hypotheses for the main study are slightly different from the hypotheses tested during the pre-tests. Canada and USA are very similar along all the four cultural dimensions and Mexico is completely different from Canada and the USA in all the four dimensions (which have been discussed at length in the previous chapter). Therefore, Mexico is being used as proxy for collectivism, high context, strong uncertainty avoidance, and large power distance while Canada and the USA are used as proxies for individualism, low context, weak uncertainty avoidance, and small power distance. This enables the testing of the first four propositions by a single hypothesis. Hypothesis 1 relates to the first four propositions. The remaining six hypotheses relate to the last six propositions (propositions 5 to 10).

The hypotheses developed from the propositions are:

H_1 : Relative to Canadian and US respondents, Mexican respondents will display less trust in cross-cultural negotiations as compared to intra-cultural negotiations.

H_2 : Relative to Canadian and US respondents, Mexican respondents will engage in more competitive bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.

H_3 : Relative to Canadian and US respondents, Mexican respondents will engage in more attack on the opponent's network in cross-cultural negotiations as compared to intra-cultural negotiations.

H_4: Relative to Canadian and US respondents, Mexican respondents will make more false promises in cross-cultural negotiations as compared to intra-cultural negotiations.

H_5: Relative to Canadian and US respondents, Mexican respondents will engage in more misrepresentations in cross-cultural negotiations as compared to intra-cultural negotiations.

H_6: Relative to Canadian and US respondents, Mexican respondents will engage in more inappropriate information gathering in cross-cultural negotiations as compared to intra-cultural negotiations.

H_7: Relative to Canadian and US respondents, Mexican respondents will engage in more tacit bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.

First, to find out if there is any cause and effect relationship between national culture and trust, and if there is any significant difference across national cultures with respect to trust, a regression analysis was conducted using trust as the dependent variable and national culture as the predictor variable. For this purpose, two dummy variables for Canada and the USA were created to control for national culture, with Canada being dummy coded 1 (0 otherwise) and the USA also being dummy coded 1 (0 otherwise). The equation for this regression is:

$$Y = \alpha_0 + \alpha_1 C + \alpha_2 US + e$$

An F test on the estimated coefficients for the Canadian and the US dummies ($F_{(1, 224)} = 29.550$ $p<.01$) provide support for the contention that there are significant differences across cultures with respect to trust. *t* tests on the estimated coefficients

suggest that significant differences of trust exist among national cultures, when comparing countries in pairs. The results of the regression analysis are reported below in Table 10.

Table 10

Comparison of Trust Across Cultures (*t* tests, N= 225)

	Beta Coefficients	*t* statistic	Sig.
(Constant)	5.491	48.476	.000
Canada	-1.186	-7.659	.000
USA	- .543	-3.367	.001

R^2 = .210; Adjusted R^2 = .203.

The *t* test results show that there is significant difference between Mexico and Canada as well as between Mexico and the USA with respect to trust.

Following the regression analysis, descriptive statistics were computed to determine the means and standard deviations for the construct "trust" as well as for the likelihood ratings of the six tactics. As hypothesized in H_1, with respect to reposing trust on an opponent, the response of both Canadian and US respondents were very similar in both intra-cultural and cross-cultural negotiations, while the same figures were quite different for the Mexican respondents. Following the computation of the descriptive statistics, means of trust for intra- and cross-cultural negotiations were compared for each of the countries separately by means of independent *t* tests. The descriptive statistics as well as the results of the *t* tests for each of the countries are reported below in Table 11.

Table 11

Descriptive Statistics and the Comparison of Means for Trust Across Intra- and Cross-cultural Negotiations

	Intra-Cultural		Cross-Cultural			
Country	**Mean**	**Std. Dev.**	**Mean**	**Std. Dev.**	**t Stat.**	**Sig.**
Canada	**5.6423**	**.5887**	**5.3333**	**.6831**	**2.007**	**.103**
Mexico	**5.4472**	**.7977**	**3.3256**	**.8050**	**12.125**	**.000**
USA	**4.7241**	**.8217**	**4.9750**	**.5515**	**1.518**	**.134**

The figures for the USA and Mexico reported in Table 11 are very similar to their pre-test figures. The *t* test results clearly show that the Mexican respondents have a significant difference in the way they repose trust on an opponent negotiator in a cross-cultural negotiation as opposed to an intra-cultural negotiation. However, no significant difference was found either among Canadian or among US respondents between their intra- and cross-cultural negotiation behaviors as far as trust is concerned.

To find out whether there is any difference across intra- and cross-cultural negotiations with respect to the likelihood of use of questionable negotiation tactics, MANOVAs were calculated for each of the focal countries. To reduce overall Type - I error, *Bonferroni* tests were conducted while conducting the MANOVAs. The descriptive statistics and the MANOVAs show that the likelihood of use of six negotiation tactics by the US and Canadian respondents did not vary significantly across intra-cultural and intercultural negotiations. However, the negotiation tactics used by the Mexican respondents varied significantly from intra-cultural to cross-cultural negotiations. The

likelihood of use of the six negotiation tactics in intra- as well as cross-cultural negotiations by the respondents is reported in Table 12, Table 13, and Table 14.

Table 12: MANOVA

A Comparison of Likelihood Ratings of Questionable Negotiation Behavior in Intra- and Cross-Cultural Negotiations (Canadian Samples)

Tactics	Intra-Cultural Mean	S.D.	Cross-Cultural Mean	S.D.	F	Sig.
TCB	2.61	1.59	3.08	1.54	1.643	.204
AON	1.13	.33	1.16	.4	.130	.720
FP	1.21	.6	1.33	.44	.841	.362
MRN	1.34	.62	1.48	.61	.851	.359
IIG	1.26	.54	1.49	.86	1.967	.165
TB	3.76	3.88	5.14	1.26	.126	.724

Table 13: MANOVA

A Comparison of Likelihood Ratings of Questionable Negotiation Behavior in Intra- and Cross-Cultural Negotiations (Mexican Samples)

Tactics	Intra-Cultural Mean	S.D.	Cross-Cultural Mean	S.D.	F	Sig.
TCB	3.91	1.51	5.54	.96	34.62	.000
AON	1.69	1.49	3.65	.48	66.36	.000
FP	2.02	1.78	3.50	.78	29.91	.000
MRN	1.89	1.52	4.18	.23	94.10	.000
IIG	2.31	1.78	4.89	.62	79.37	.000
TB	4.04	1.25	5.58	.84	49.37	.000

Table 14: MANOVA

A Comparison of Likelihood Ratings of Questionable Negotiation Behavior in Intra- and Cross-Cultural Negotiations (US Samples)

Tactics	Intra-Cultural		Cross-Cultural			
	Mean	S.D.	Mean	S.D.	F	Sig.
TCB	3.26	1.44	3.30	1.26	3.595	.062
AON	1.58	.69	1.61	.73	.030	.862
FP	1.65	.80	1.74	.76	.205	.652
MRN	1.99	.73	1.86	.89	.313	.578
IIG	1.79	.97	2.02	.93	.996	.322
TB	3.67	1.10	3.78	1.52	.116	.734

TCB: Traditional Competitive Bargaining
AON: Attacking Opponent's Network
FP: False Promises
MRN: Misrepresentation
IIG: Inappropriate Information Gathering
TB: Tacit Bargaining

The figures reported in Table 12, Table 13, and Table 14 show that with respect to various ethical tactics, Mexican respondents, relative to Canadian and US respondents, were significantly different in all counts between their intra-cultural and cross-cultural negotiations. These findings thus provide statistical support for hypotheses H_2 through H_7.

To assess the relationship between trust and the various questionable tactics, correlation analyses were performed separately. The correlation results, which are reported in Table 15, show that as hypothesized in the study, the level of trust is negatively correlated with the various questionable negotiation tactics.

Table 15

Pearsons Correlations (2 tailed)
(N = 225)

	Trust	TCB	AON	FP	MRN	IIG	TB
Trust	1.000						
TCB	-.497**	1.000					
AON	-.611**	-.515***	1.000				
FP	-.581**	.490**	.874**	1.000			
MRN	-.612**	.531**	.884**	.850**	1.000		
IIG	-.535**	.538	.831**	.736**	.853**	1.000	
TB	-.351**	.594**	.386**	.364**	.408**	.436**	1.000**

TCB: Traditional Competitive Bargaining AON: Attacking Opponent's Network
FP: False Promises MRN: Misrepresentation
IIG: Inappropriate Information Gathering TB: Tacit Bargaining

** Correlation is significant at 0.01 level (2-tailed)
* Correlation is significant at 0.05 level (2-tailed)

The correlation result provides further support for hypotheses H_2 through H_7, indicating a strong negative relationship between trust and the six negotiation tactics being investigated in this study.

To investigate further the relationship among national culture, trust, and the six negotiation tactics, a stepwise regression model was employed, with a standard .05 criterion. In addition to national culture and trust, income level, age, education, and length of negotiation experience were also entered as independent variables in the equation. Separate regression analysis was conducted for each of the six behavioral

categories in both intra- and cross-cultural negotiation context. The results of the twelve separate regression analyses are summarized in Table 16 and Table 17.

Table 16

Regression Analysis (Intra-Cultural Negotiations)

Predictor Variables	Ethical Categories Dependent Variables					
	TCB	**AON**	**FP**	**MRN**	**IIG**	**TB**
Culture			-.326		-.219	-.223
Trust	-.269	-.191	-.216	-.183	-.317	-.084
Age	.298		-.224	-.286	-.211	
Neg. Exp.	-.213				-.076	-.299
Education				.228		
Income						.225
Constant	5.939	2.728	2.305	2.355	3.016	
Adjusted R^2	.108	.028	.156	.116	.061	.090
DF	107	109	107	107	107	106
F	5.45**	4.121*	7.773***	9.508**	4.588*	4.64**

The findings of the regression analyses further strengthen the support for the hypotheses. As can be seen from Table 16 and 17, Trust has been found to be a predictor in all 12 analyses. However, national culture was found to be a predictor only in 8 analyses. This indicates that trust is a better predictor of negotiation behavior than national culture. The findings also show that compared to intra-cultural negotiations, the roles of the predictor variables are more pronounced in cross-cultural negotiations. The findings also show that of all the predictor variables, Trust plays the most important role

in influencing negotiation behavior in both intra-cultural and cross-cultural negotiations in all three countries.

Table 17

Regression Analyses (Cross-Cultural Negotiations)

Predictor Variables	Ethical Categories Dependent Variables					
	TCB	**AON**	**FP**	**MRN**	**IIG**	**TB**
Culture		-. 348	-.327	-.450	-.460	-.435
Trust	-.379	-.516	-.511	-.398	-.327	-.234
Age	-.311					
Neg. Exp.		-.235		-.155	-.124	-.196
Education	.207	.101	.147	.185	.230	.279
Income		.174				
Constant	8.288	5.448	4.861	5.658	5.910	5.063
Adjusted R^2	.477	.720	.645	.720	.652	.338
DF	110	109	110	109	109	109
F	35.351***	59.194***	69.307***	73.733***	53.893***	20.247***

TCB: Traditional Competitive Bargaining
AON: Attacking Opponent's Network
FP: False Promises
MRN: Misrepresentation
IIG: Inappropriate Information Gathering
TB: Tacit Bargaining

*** $p < 0.001$
** $p < 0.01$
* $p < 0.05$

Based on the above findings, the results and their relationship to the hypotheses are summarized in Table 18.

Table 18

Summarized Results

Hypotheses & the Addl. Research Questions	Statistics Used	Statistical Sig./ Relationship Decision
H_1: Relative to Canadian and US respondents, Mexican respondents will display less trust in cross-cultural negotiations as compared to intra-cultural negotiations.	Multiple Regression, *t* tests, ANOVA	H_1 Supported.
H_2: Relative to Canadian and US respondents, Mexican respondents will engage in more competitive bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_2 Supported.
H_3: Relative to Canadian and US respondents, Mexican respondents will engage in more attack on the opponent's network in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_3 Supported.
H_4: Relative to Canadian and US respondents, Mexican respondents will make more false promises in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_4 Supported.
H_5: Relative to Canadian and US respondents, Mexican respondents will engage in more misrepresentations in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_5 Supported.
H_6: Relative to Canadian and US respondents, Mexican respondents will engage in more inappropriate information gathering in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_6 Supported.
H_7: Relative to Canadian and US respondents, Mexican respondents will engage in more tacit bargaining in cross-cultural negotiations as compared to intra-cultural negotiations.	MANOVA	H_7 Supported.
Additional Research Questions: Intervening role of age, income level, experience, and education.	Multiple Regression, Multiple Correlation.	

Discussion and Implications of the Findings

It's what you learn after you know it all that counts.

John Wooden

The findings of the study make a substantial contribution in explaining that negotiation behavior differs as a function of the culturally determined trust that is reposed on an exchange partner during a negotiation. The results of the statistical tests show a strong negative relationship between trust and the six questionable negotiation tactics. The findings also provide an explanation of the role of national culture in the formation of trust. The results of the regression analyses and the MANOVAs contradict the findings of McCabe, Dukerich, and Dutton (1993) that culturally based value differences were not a major factor in explaining different ethical choices in decision-making processes. Since trust has been shown to be influenced by national culture, it is important that negotiators try to build some form of relationship with their counterparts, especially when the counterparts come from collectivist, strong uncertainty avoidance, large power distance, and high context countries such as Mexico.

The findings indicate that relative to Canadian and US negotiators, Mexican negotiators are likely to be very combative with their foreign counterparts. Therefore, taking measures to create a trusting relationship is recommended for people interested in doing business with Mexicans. To quote one of the negotiation experts who had been interviewed, "*Business relationships in Mexico are very highly personalized. Many business relationships have begun in childhood and developed through high school, college and inter-generationally, e.g., young men doing business with their friend's*

fathers, etc. In Mexico personal relationship and mutually understood patron-client relationship substitute for the rule of law" [Appendix 1-B].

Since the respondents from Canada and the USA showed similar levels of trust irrespective of their counterparts' background, negotiators dealing with people from the USA and Canada should focus on issues, rather than on relationship. The possibility that Canadian and US respondents are interested more in issues rather than on relationship is aptly captured in the statement of a Canadian respondent who voluntarily wrote on the questionnaire, *"Neither I nor shall any of my employees ever engage in any of these tactics. When we negotiate, we look at the issues. The race, religion, and language of our opponent is irrelevant for our negotiation."* Although it is recommended that people dealing with Canadian and US negotiators should focus on issues rather than on relationship, nevertheless, attention needs to be paid to relationship and trust as well. Trust has been found to be negatively related with unethical negotiation tactics in all the countries. Trust is, therefore, an important factor in every country, although the degree of such importance varies from country to country.

As evidenced from the statistical findings, relative to Canadian and US businessmen, Mexican business people are more likely to use different questionable tactics in both intra-cultural and cross-cultural negotiations. Although Mexicans are likely to be much more combative in international negotiations compared to domestic ones, nevertheless, they are very combative in domestic negotiations as well. The Mexican respondents scored higher than Canadian and US respondents in all six categories of questionable negotiation tactics in both intra-cultural and cross-cultural negotiations. While commenting on such combative approach taken by Mexican businessmen, a management/negotiation consultant who was interviewed said, "*In*

Mexico an influential company may 'cause' the tax authorities to raid a competitor, have suppliers refuse to supply a competitor, tap the phones, cause inventory and cash flow disruptions by placing false orders, etc., etc" [Appendix 1-B].

The statistical results indicate that negotiators from all three countries engage in traditional competitive bargaining in both intra-cultural and cross-cultural negotiations. However, Mexican respondents seem to be more competitive with foreigners as opposed to their compatriots. As far as the Canadian and US respondents are concerned, they seem to use competitive bargaining tactics more than the other five tactics. However, no significant difference was found between intra-cultural and cross-cultural negotiation behavior of US and Canadian respondents with respect to competitive bargaining or any other tactics. The findings that both Canadian and US negotiators do engage in competitive bargaining is consistent with earlier works (e.g., Volkema, 1999; 1997) which have found US negotiators to be competitive.

The findings showing a strong likelihood of Mexican negotiators to engage in tacit bargaining was not unexpected. However, the surprising finding of the study is that both Canadian and US respondents indicated a strong likelihood of using tacit bargaining in both intra-cultural and cross-cultural negotiations. This finding is quite contrary to pre-test findings and defies traditional wisdom as people from both Canada and the US are believed to be very direct in communicating their messages and less inclined toward using non-verbal cues in a negotiation. This discrepancy between the findings of the pre-tests and main study can be explained in terms of the differences between the samples. The pre-tests involved students with no negotiation experience. As the US culture is low-context, the students who participated in the pre-tests exhibited little inclination toward tacit bargaining which is in accordance with their cultural trait. However, the Canadian

and the US respondents of the actual study all had experience in international negotiation. Over 60 percent of the respondents indicated 20 or more years of experience in international negotiation. It is possible that these Canadian and US negotiators had dealings with foreign negotiators who relied heavily on tacit bargaining. As adaptation theory suggests (for details, see Francis, 1991), due to repeated exposure to and dealings with such foreign negotiators over the years, these Canadian and US negotiators might have developed a tendency to engage in tacit and non-verbal communication.

As regards the supplementary questions related to the intervening role of age, ethnicity, education, gender, level of income, and negotiation experience, the findings indicate that negotiation experience and education do influence negotiation tactics. The more experienced negotiators seem to be less inclined toward using questionable negotiation tactics. Similar to this, the regression analyses also indicate a negative relationship between age and likelihood of use of unethical behavior in negotiations. This finding is consistent with that of prior studies (e.g., Volkema 1999; Anton, 1990). Surprisingly, level of education was found to have a positive relationship with using questionable negotiation tactics, which is contrary to what one would generally expect. The findings do not show any conclusive evidence as to the relationship between income level and likelihood of using unethical negotiation tactics. This could be due to the fact that there was not much variation in the income levels reported by the respondents. However, with respect to level of income, two relationships revealed in the regression analyses (with attacking opponent's network and tacit bargaining) were both positive. Since the respondents from both Canada and the USA were overwhelmingly Anglophones and Anglos respectively, it was not possible to investigate the role of ethnicity in negotiation behavior, i.e., the negotiation behavior of other sub-cultures of

Canada and the USA (Francophone Canadians, African-Americans, Hispanic Americans etc.). Similarly, due to a small number of female respondents, especially from Mexico, it was not possible to investigate if there is any gender difference with respect to the likely use of unethical negotiation tactics.

Over 86 percent of the Canadian and US respondents were from the service sector while only about 12 percent of the Mexican respondents were from the service sector. This indicates the predominant role of the manufacturing sector in Mexico and a growing role of the service sector in the USA and Canada.

Even though the statistical results indicate that relative to Canadian and US negotiators, Mexican negotiators are likely to be more contentious with the foreigners, caution should be exercised before making any broad generalization of this finding. Although foreign negotiators may find that Mexican negotiators make false promises and misrepresent their position or intention very often, there may be a cultural explanation behind this type of behavior. To quote one of the negotiation experts who had been interviewed, "[T]*ime is not perceived in the same way in Mexico as it is in the USA. Deadline is something unknown in Mexico and there is always a possibility to defer a work till tomorrow. Saying 'yes' and 'no' does not necessarily mean yes and no. At times people say 'yes' just to make the other person feel good. 'Yes' does not necessarily mean a commitment. And Mexican people will hardly say 'no', especially in a face-to-face conversation"* [Appendix 1-E]. In this regard, another interviewee commented, "*We need to distinguish between honest mistake and deliberate falsehood . . . . Generally, Mexican people try to please the foreigners, but at times due to lack of relevant information and out of their politeness, they make promises that they cannot keep or follow up. The intention is good (to please the foreign guest), but at the end it is a disaster as they often*

fail to meet the deadline or buy or supply what they had promised to buy or sell" [Appendix 1-A].

The unstable business environment of Mexico may also explain the negotiation behavior of Mexican people, which often may seem "questionable" in the eyes of their foreign counterparts. To quote one of the interviewees, "*The Mexican business environment is far more chaotic than the predictable environment of the USA, Europe or Japan. In a developing (third-world/less industrialized) country like Mexico, delivery times, deadlines and resources can be subject to electrical supply failures, truck accidents, train hi-jacks, currency devaluation, 100 percent plus annual inflation, industrial sabotage, customs and tax authority interference, etc,. etc. Also, Mexican people operate in a highly volatile economic environment where orders for products and services can be suddenly placed and then just as suddenly evaporate. As a result and as an effort to compensate for possible financial losses due to this volatility, Mexican businesses as a common practice 'take on' more work orders than they can normally complete on time. The alternative is to have a highly planned and scheduled system that looks good on paper but results in not enough orders to keep busy. Everybody in Mexico understands and practices this 'Mexican scheduling*" [Appendix 1-B].

The findings that there is a significant difference between intra- and cross-cultural negotiations behavior of the Mexicans with respect to trust and ethical behaviors and that no such difference exists among the Canadians and the US respondents can be explained from another angle. According to Ring and van de Ven (1994), trust between negotiating parties may be influenced by the individual experiences of the respondents. The respondents who had developed a series of mutually beneficial long-lived exchange relationships might respond to survey questions about trust and various unethical

negotiation tactics within the context of their experience. Compared to Mexican respondents, the US and Canadian respondents are more likely to be exposed to different cultures and have business dealings with people from different cultural backgrounds. Therefore, they might not have low trust for foreigners like the Mexican respondents, most of whom may not have any experience dealing with foreign negotiators other than those from the USA. While commenting on Mexican people's level of trust toward foreigners, one interviewee commented, "*Generally with foreigners, there is a mixture of eagerness, combined with low self esteem. Mexicans tend to over value or respect persons from foreign cultures. But there is also always a deep feeling of suspicion*" [Appendix 1-C]. Just as many foreigners may have had bad experience dealing with Mexican business people, similarly Mexican business people also had bad experience with a number of foreign firms. In this regard, one interviewee mentioned about a blacklist maintained by the Mexican Ministry of Commerce that contains names of Taiwanese and US firms who engaged in cheating and other unscrupulous business activities in Mexico.

Finally, in addition to throwing light on likely negotiation behavior of the Canadian, the Mexican, and the US people, the findings of the study also make an important contribution to the ongoing debate on convergence of business cultures across different countries. Although Mexico, as a member of the NAFTA, has been closely tied to the USA which is its principal trading partner, the negotiation behavior of the Mexican people is markedly different from those of the USA. About 78 percent of the Mexican respondents were from Monterrey, which is by far the most Americanized city of Mexico (Husted *et al.*, 1996). Yet, the Mexican respondents differed significantly in their values and likely behaviors from the US respondents. If negotiation behavior is an indication of

managerial values and practice, then it can be concluded that there has not been any substantial convergence of business cultures across Mexico and the USA. On the other hand, similar negotiation behavior by Canadian and US respondents can be construed as a confirmation of the general perception that there is a convergence of business cultures across Canada and the USA.

Managerial Implications

> *It's quite possible that every living thing has a secret tongue for communicating offers and counteroffers, for asking questions that reveal what something is truly worth, for splitting the difference, for highballing or lowballing, for deflecting objections and turning them into advantages . . . . But only man has formalized the negotiating process to the n^{th} degree.*
>
> McCormack, 1995

Based on the discussion of the preceding section, the following implications can be drawn for practitioners:

1) Trust and relationship-building is important in all the three NAFTA countries. However, extra efforts should be taken to build trust and relationships while dealing with the Mexicans as well as with negotiators from the countries which represent collectivist, high-context, strong uncertainty avoidance, and large power distance cultures. As one interviewee commented, "*The most effective way for a foreigner to negotiate effectively is to develop a network of personal relationships within the company or group of people with whom they are going to negotiate. This should be done long before the negotiation begins. Established personal relationships are an absolute requirement for successful negotiations in Mexico*" [Apendix 1-F].

2) In doing business with Mexicans, one should be prepared to show flexibility with respect to time. Extra effort needs to be taken to ensure quality and on-time delivery on the part of Mexican partners.

3) While dealing with Canadian and US business people, one should focus more on issues and tasks, rather than on relationship. The same may be true with respect to people from other individualistic, low-context, weak uncertainty avoidance, and small power distance cultures.

4) Since age and length of experience show a negative relationship with the likelihood of using unethical negotiation tactics, one should try to deal with an experienced negotiator as opposed to a novice counterpart.

5) Finally, negotiators should also consider using multinational negotiating teams, with participants drawn from the opponent's culture. The presence of a compatriot on the opponent's team may inspire trust and confidence and reduce the likelihood of unethical behavior. A multi-cultural negotiation team thus may change the dynamics of a negotiation toward a "win-win" situation for all the parties concerned.

CHAPTER VI

CONCLUDING REMARKS

Creating a new theory is not like destroying an old barn and erecting a skyscraper in its place. It is rather like climbing a mountain, gaining new and wider views, discovering unexpected connections between our starting point and its rich environment. But the point from which we started out still exists and can be seen, although it appears smaller and forms a tiny part of our broad view gained by the mastery of the obstacles on our adventurous way up.

Einstein, 1920

The purpose of this chapter is to discuss the contribution of this study to the advancement of the literature, to explain the limitations of this study, and to provide directions for future research to better understand the role of culture and trust in fostering the ethical behavior in international negotiations.

CONTRIBUTIONS TO THE LITERATURE

This study shows that cultures differ with respect to how a person is going to place his/her trust in an exchange relationship and its resultant consequence. The theoretical perspective presented in this study is explicated by articulating the implications for negotiations of four cultural values: individualism-collectivism, low-context versus high-context, strong versus weak uncertainty avoidance and large versus

small power distance. One of the important contributions of this study is that it deepens our understanding of the negotiation style of the Mexican people. Although much has been written about the negotiation style of the US and Canadian people, the negotiation behavior of the Mexican people is hardly known. This study throws light on this neglected but important area.

This study also contributes to theory by introducing the concept of reposed trust and identifying the antecedent variables of this construct. The ***CTB*** model provides the bases for developing culture specific hypotheses about intra- as well as cross-cultural negotiations. Further, the empirical analysis of the hypotheses strengthens our understanding of the factors affecting ethicality in negotiation. Such an understanding is essential for theory-building in this complex area of international negotiation.

Limitations of the Study

The results of this research should be viewed in light of several limitations. First, the questionnaire focuses on the likelihood of use of eighteen negotiation behaviors. These results, therefore, represent measures of likelihood, not actual behavior. Second, trust is a difficult construct to measure. The questionnaire focuses on this controversial and sensitive aspect of human behavior. In this type of research involving controversial and sensitive issues, respondents may show a social desirability bias in their responses (Dubinsky *et al.*, 1991). The findings, therefore, may not represent actual behavior to the extent that such bias is present. Third, this study did not attempt to control for factors such as locus of control, power and status of the negotiator, reputation of the opponent negotiator or the firm he/she is representing, etc. These factors usually influence trust and ethical orientation across national cultures (Hegarty & Sims, 1979). Fourth, the US

respondents were overwhelmingly Anglo-Americans while the Canadian respondents were overwhelmingly Anglophone Canadians. Therefore, the findings from the US and Canada may not be representative of the negotiation behavior of other ethnic groups of these two countries. Fifth, most of the Mexican respondents were (78 percent of those who responded) were from Northern Mexico (mostly from the state of Nuevo Leon). This could be viewed both as a strength and as a weakness of the study. A substantial portion of the international trade of Mexico is conducted by businessmen from Nuevo Leon (Husted *et al.*, 1996). Therefore, a large number of respondents from this region add validity to the findings from Mexican data. However, the results may not be generalizable for all of Mexico since there were not enough respondents from other parts of Mexico, even though efforts were made to collect data from different parts of Mexico.

As mentioned earlier, this study could not use structural equation modeling technique due to small number of participants. Future researchers should try to broaden the sample size and use structural equation modeling. Future researchers can also use canonical correlation to find out the overall trend in the complex relationship among culture, trust, negotiation behavior and other related factors.

Finally, it should be remembered that trust is a necessary condition for ethical behavior in international negotiations, but it is not a sufficient condition. Therefore, the findings of this study should not be viewed as the only explananda of ethical behavior in international negotiations.

AVENUES FOR FUTURE RESEARCH

While this study is expected to make a significant contribution toward understanding the role of culture and trust in international negotiations, there remain

certain unexplored areas for potential research. This study focussed on trust only as a cultural construct. But trust is a "meso" concept (Rousseau *et al.*, 1998) which is influenced by a variety of macro- and micro-level factors that include but are not limited to prior contact, organizational culture, past experience, future stake, background and expertise of the individual negotiators as well as the organization they represent, nature of the deal, political relationship between the disputants' countries and so on. Future research should focus on these various other factors that influence the creation of trust and consequently how the level of trust might affect negotiation behavior in an international context. Future scholars should also investigate how institutional, situational, and psychological factors alter the formation, evolution, and placement of trust in an exchange relationship.

Future researchers can investigate if the ethicality in negotiation behavior of people varies along the dimensions of the perceived distance between cultures. For example, a study can be undertaken to investigate if Canadian business negotiators display different ethical behavior while negotiating with a Chinese businessperson, with whom the perceived psychic distance of the negotiator is assumed to be great as opposed to a US businessperson, with whom the psychic distance of the negotiator is assumed to be small. Studies can also be undertaken to investigate if the ethical behavior of people changes when they negotiate with a friend as opposed to an enemy. Future researchers may also undertake longitudinal studies to investigate if the increased level of trust as a result of repeat business has any impact on negotiation strategies used by the parties.

Past research suggests (e.g., Adler *et al.*, 1987) that the negotiation behavior of Francophone Canadians is more similar to Mexican culture as opposed to that of Anglophone Canadians. Future researchers should pay more attention to negotiation

styles and behaviors of Francophone Canadians as well as other ethnic groups in the USA (e.g. African-Americans, Hispanics, Asian-Americans, etc.).

Since most of the big businesses in Mexico, which account for most of the international trade of Mexico, are family-owned enterprises, future researchers should investigate the role of family(ies) in the process and outcome of negotiations. In Mexico, some minority groups, such as Jews and Lebanese, have a very influential presence in the business sector. Although Mexico is not a hyphenated society like the USA or Canada, and the minority communities and new immigrants seem to become part of the mainstream population in a short period of time, nevertheless, researchers should study if there is any difference among different ethnic groups of Mexicans in their negotiation behavior. Future research should also study if there are any regional differences among Mexican people with respect to their negotiation behavior.

The relative power of negotiators plays an important role in shaping the behavior of the negotiating parties (Brett & Okumara, 1998; Bazerman, Lewicki & Sheppard, 1991). Future studies should focus on the role of power in increasing/mitigating the incidents of unethical tactics in negotiation. Future research should also investigate how time and budgetary constraints and the context of the negotiation may influence ethicality in international negotiation behavior.

Escalated conflicts are common in negotiations (Rubin, Pruitt & Kim, 1994) which often give rise to "conflict spiraling" (Brett, Shapiro & Lytle, 1998) i.e., a negotiator initiates a contentious communication, to which the other party responds with another contentious communication. In response, the first party again reciprocates with another negative communication, which in turn is matched by the other party, and such contentious communication keeps on going, thereby creating a stalemate. Future

researchers should undertake studies to find out if trust plays any role in breaking the bonds of negative reciprocity in international negotiations.

As mentioned earlier, this study investigated only the intended ethicality in negotiation behavior, not their actual negotiation behavior. Future efforts should be directed towards understanding the role of trust in actual negotiation behavior in a cross-cultural setting. Future researchers should, therefore, make an attempt to complement their studies with lessons from actual negotiation behavior. Since most negotiations take place in groups, future researchers should also study the impact of culture and trust in group negotiations involving groups from different cultures. To determine if different dimensions of national cultures influence the level of trust, and consequently, the negotiation behavior differently, researchers should conduct studies in countries which share some dimensions and are different in some other dimensions. For example, to measure the role of context, a study could be conducted using Mexico and East Africa, which are both collectivist, but different in terms of context. Mexico was found to be a high-context country while East Africa was found to be a low-context country (Hall, 1976). Similarly, to measure the role of uncertainty avoidance, research may be conducted involving Pakistan and Singapore. While both Pakistan and Singapore are collectivist, Pakistan is a strong-uncertainty avoidance culture while Singapore is a weak-uncertainty avoidance culture (Hofstede, 1980). Several countries can be identified for testing the roles of different dimensions.

Finally, to isolate the mediating role of trust in an exchange relationship, researchers should investigate the role of culture in negotiation behavior both with and without the mediating role of trust. The rival model proposed in this dissertation and the hypotheses drawn therefrom are expected to facilitate such research efforts in the future.

CONCLUSION

Most studies on ethical issues in international business negotiations merely provide descriptive statistics about beliefs and significant covariations of a few variables. Few studies attempt any empirical investigation, and hardly any study has attempted to go beyond using student samples.

The objective of this dissertation has been to empirically examine the role of national culture in initial trust formation and extension of such trust toward new exchange partners and how the level of such reposed trust influences the use of questionable negotiation tactics in international negotiations as opposed to intra-cultural negotiations. While the findings of the study provide important insights into the intricacies of negotiation behavior of subjects from the NAFTA countries and also provide recommendations to managers and researchers, the effort to understand the complex role of culture and trust in international negotiations is far from being complete. With the growing trend of globalization, cross-cultural negotiations among the people of different countries are likely to increase manifold in the future. The more each can learn about the negotiation behaviors of others, the more effective the outcome of their negotiations will be.

In the recent past, considerable progress has been made in understanding, explaining, and predicting the nature, creation, and maintenance of trust in exchange

relationships. However, progress made in one area has not necessarily been integrated into the body of work in other areas or disciplines (Lewicki & Bunker, 1996). This study underscores the need for developing an integrating framework of trust in exchange relationships and offers the ***CTB*** model as a small step toward achieving that goal. However, in order to be generalizable, the ***CTB*** model presented in this study needs more explication, replication, and extension.

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APPENDIX -1

INTERVIEWS WITH NEGOTIATION CONSULTANTS/EXPERTS

APPENDIX - 1 A

Interview with Lic. Rolando San Miguel

[Lic. Rolando San Miguel is a former Mexican diplomat who had served in several countries including Japan, South Korea, Paraguay, and the USA and participated in several multilateral trade negotiations. Currently, he is a lawyer and also a law professor at the **Escuela Libre de Derecho** in Monterrey, Mexico. During his interview, Lic. Rolando San Miguel gave several examples of blunders committed by Mexican firms in international negotiations. An edited version of the excerpts from the interview, without the actual name of the organizations mentioned by Lic. San Miguel, are reproduced below.]

1. As a lawyer and a former Mexican diplomat with vast experience in trade negotiations, how would you characterize the negotiation style of Mexican people? Are they generally very cooperative, or are they very competitive in their negotiations?

A. The problem of our negotiators is that when they negotiate, especially those from small and medium sized companies, they suffer from an inferiority complex. As such, they give in to their opponents' pressures too quickly. Most of the time, they do not have the right information. They do not try to get the right information about the subject matter of the negotiation, the price of the commodity/service being negotiated. At times, firms do not even have sufficient information about their own production capacity and delivery capability. This often creates serious problems. For example, a few months ago, one Monterrey based firm got an order from a Chinese firm to supply 1000 toilets every month. They signed an agreement without verifying whether they can supply 1000 toilets

every month. They did not have the capacity. As such, they failed to deliver the items on time and the agreement was scrapped.

Another problem is that Mexican negotiators do not try to find out any background information about their opponents and their culturse. A few months ago, the trade Minister of Pakistan was visiting a well-known glass company of Mexico. The Minister was served alcohol, which is not permissible in his religion. To add insult to injury, they organized a cultural program where the dancers were scantily clad which is another offensive act according to Muslim culture. The negotiation with the Pakistani delegation ended without any concrete result. On another occasion, when a South Korean Minister was visiting, the national anthem of North Korea was played, which did not do any good in creating an atmosphere of goodwill between the two sides.

As regards the second part of your question, I would say that the big corporations are very competitive. However, negotiators from small and medium sized companies are quite cooperative, and as I mentioned earlier, often bow to pressure tactics used by their foreign counterparts.

2. Do you think that the Mexican culture has a profound effect on the way the Mexican people negotiate?

A. Yes, the culture has a profound impact on the negotiating style of the negotiators representing small corporations. They tend to be more relationship oriented, rather than being task oriented. At times, they do not understand the nuances of other cultures. For example. Mexican people do not do well in negotiations with the Japanese. The Japanese people often take such a long time that the Mexican negotiator become impatient and, give too much concession to their counterparts. Negotiators from small firms often do not

know how to say "no" to a foreigner. However, negotiators from big corporations are usually competitive. A lot of them are educated and trained in the USA. In case of big organizations, I would assume that organizational culture plays a more important role than national culture.

3. In what ways do you think Mexican people's negotiation behavior with foreigners differ from their negotiation behavior with their compatriots?

A. Generally, Mexican people try to please the foreigners, but at times due to lack of relevant information and out of their politeness, they make promises that they cannot keep or follow up. The intention is good (to please the foreign guest), but at the end it is a disaster, because they often cannot meet the deadline or buy or supply what they had promised to buy or sell.

4. Is it important for a foreign negotiator to first build relationship and create a feeling of trust and then negotiate with his/her Mexican counterpart(s)?

A. Relationship is very important in our country. I would say it is the most important factor in determining the success of a negotiation. Our people first want to get acquainted with their opponents before they start their business dealings.

5. Do you think that any trust building efforts may reduce opportunistic behavior (such as bluffing, misrepresentation, using inappropriate means to obtain confidential information etc.) during a negotiation?

A. Trust is very important, but there is a problem. In the past, many Mexican firms have been cheated by many US and Taiwanese companies. Our Trade department has a

black list of US and Taiwanese companies who cheated Mexican companies. Because of such negative experiences, Mexican firms may be suspicious of the real motive of unknown US or Taiwanese businessmen, even though in general Mexican people do like foreign businessmen.

From my experience I can tell that many US firms are also reluctant to extend trust to Mexican firms. There are many instances when Mexican firms signed an agreement out of euphoria of engaging in international trade, but later failed to fulfill their contractual obligation with respect to quality standard or time of delivery. However, we need to distinguish between honest mistake and deliberate falsehood. Small and medium sized Mexican companies make honest mistakes, but big Mexican firms are very competitive and may resort to unethical business practices. We do not have any law similar to US Foreign Corrupt Practices Act. We hear allegations that many Mexican firms bribed officials in Peru, Bolivia, Cuba etc. to get favorable treatment in negotiations.

6. Have you noticed any unique characteristics of Mexican people with respect to their negotiation style that you want to share?

A. I think that compared to the USA and Canada, Mexican government plays a more active role in international trade negotiations. This may be because of the fact that we still have many state-owned enterprises. However, our government often has not been as effective as the US government to protect the interest of the people they represent. For example, in a trade negotiation with the US government, Mexican negotiators gave in to US pressure and decided to import "sucrosa" that hurt the local sugarcane producers.

APPENDIX 1-B

Interview with Mr. Steven Leighton

[Mr. Steven Leighton is a British national who has been working as an independent management consultant in Monterrey for the last four years. He has provided training on cross-cultural negotiation to top executives of many Monterrey based Mexican firms. Mr. Leighton has work experience in England, Belgium, Poland, former Czechoslovakia, Peru, USA, and Mexico. Excerpts from his interview are reproduced below].

1. As a management having vast experience in providing negotiation training to Mexican executives, how would you characterize the negotiation style of Mexican people? Are they generally very cooperative, or are they very competitive in their negotiations?

A. Central to all relationships in Mexico is the historical experience of the Patron - Client relationship. Inter Mexican business relationships develop according to this common place dynamic. The Patron may be brutal or magnanimous in his (usually a 'he') dealings with his clients and the client stays or leaves according to his/her need for the business. In Mexico small companies, when confronted, have to cooperate with large companies or be put out of business.

2. In what ways do you think Mexican people's negotiation behavior with foreigners differ from their negotiation behavior with their compatriots?

A. Many small companies in the north of Mexico see USA companies as having the possibility of being "White Knights," i.e., through partnership or by selling a stake to a USA company they hope to gain a powerful and more just patron. And .....connect to and be less peripheral to the more stable business environment of the USA.

So for the small business an expectation of gaining a more predictable partner or just patron has a positive and opening affect on the negotiations. In turn this means that the small company may simply "open"` it's books for the US company to inspect. However the "books" (accounting) are so different in structure and language there is little lost through this tactic and the confidence of the USA business negotiator may increase. Large companies (having the P/C perspective) rely on the experience of the senior executive to manage the relationship. Here in Monterrey the largest companies are family owned or controlled and have had business relations with the USA since moving their families and wealth to the USA at the start of the Mexican Revolution (1910).

For the large and experienced company their knowledge of the USA environment actually allows them to take "possible unfair" advantage in that they know what to conceal from and how to present to Americans.

3. Is it important for a foreign negotiator to first build relationship and create a feeling of trust and then negotiate with his/her Mexican counterpart(s)?

A. Business relationships in Mexico are very highly personalized. Many business relationships have begun in childhood and developed through high school, college and inter-generationally. Young men doing business with their friend's fathers etc.

In Mexico personal relationship and mutually understood P/C substitute for the rule of law. Many Mexican business people are learning to place their trust in US laws and hire US lawyers to look out for their interests.

4. Do you think that any trust building efforts may reduce opportunistic behavior (such as bluffing, misrepresentation, using inappropriate means to obtain confidential information etc.) during a negotiation?

A. No, I do not think that trust building will reduce opportunistic behavior. The brutal experience of inter- Mexican (small/large, Patron/client) business leaves its mark. Small companies are wary and large companies that have had success using "invasive" business tactics will continue to do so.

In Mexico an influential company may "cause" the tax authorities to raid a competitor, have suppliers refuse to supply a competitor, tap the phones, cause inventory and cash flow disruptions by placing false orders etc. etc. Though the tactics may change the intention might not. Even when the deal is signed and obvious mutual interest exists, these tactics actually do continue. In a crucial buy or supply negotiation some large Mexican companies will use this new level of cooperation to gain more advantage. This apparently only stops when the USA company owns a majority stake.

The Mexican business environment is far more chaotic than the predictable environment of the USA, Europe or Japan. In a developing (Third world/less industrialized) country like Mexico, delivery times, deadlines and resources can be subject to electrical supply failures, truck accidents, train hi-jacks, currency devaluation, 100%+ annual inflation, industrial sabotage, customs and tax authority interference etc. etc. Also, Mexican people operate in a highly volatile economic environment where

orders for products and services can be suddenly placed and then just as suddenly evaporate. As a result and to try to compensate for possible financial losses due to this volatility Mexican businesses as a common practice "take on" more work-orders than they can normally complete on time. The alternative is to have a highly planned and scheduled system that looks good on paper but results in not enough orders to keep busy. Everybody in Mexico understands and practices this "Mexican scheduling".

5. It is often alleged that that the usage of questionable negotiation tactics such as making false promises about delivery time and meeting deadlines, giving false impression about available resources etc. are significantly higher among Mexicans than their US counterparts. What is your comment about such criticisms?

A. The criticisms by foreign business people is a reflection of their poor appreciation of the extremely tough market they are trying to enter. Usually the volatility is absorbed by the Mexican businessperson and his/her "understanding" Mexican clients in order that the foreigner will not be effected.

6. Have you noticed any unique behavior among Mexican negotiators that you think deserve research attention?

A. I am not a psychologist but many Mexicans appear to suffer from an "inferiority complex" in relation to business people from the USA and I am not totally sure of the effects of this. Also ALL negotiations are carried out in ENGLISH. Because Mexico for so long excluded foreign workers the standard of English spoken by many business people puts them at great disadvantage.

APPENDIX 1-C

Interview with Professor Carlos Serrano, *CPA*

[Professor Carlos Cuellar Serrano, *CPA* is the Director of the Family Business Center at the Universidad de Monterrey, the only such research center in Mexico. He is an active member of the Chamber of Commerce of Monterrey - CANACO. Previously he has worked as the administration manager at HYLSA, GENTOR and at "Productos Industriales de Plomo". He was also the Corporate Comptroller of "Flejes Industriales", and the Internal Control Manager at the Corporate office of GAMESA. Excerpts from his interview are reproduced below.]

1. As a Mexican academic, researcher, and a management consultant, you have vast experience with the communication style of Mexican people in an exchange relationship like business negotiation. How would you characterize the negotiation style of Mexican people? Are they generally very cooperative, or are they very competitive in their negotiations?

A. Mexican negotiators employ both competitive and cooperative bargaining style in their negotiations. However, the cooperative style is the predominant one.

2. Do you think that the Mexican culture has a profound effect on the way Mexican people negotiate?

A. Yes, culture definitely has an impact on the process and especially when it comes to negotiating with someone from a different culture.

3. In what respects do you think the negotiation behavior of Mexican people with foreigners differ from their negotiation behavior with their compatriots? In what ways do you think that the Mexican culture affects the negotiation behavior of Mexican people with foreigners?

A. Generally with foreigners there is a mixture of eagerness, combined with low Self-esteem feelings. Mexicans tend to over value or respect persons from foreign cultures. But there is also always a deep feeling of suspicion.

4. What type of measures should foreign negotiators undertake to reduce opportunistic behavior (such as bluffing, misrepresentation, using inappropriate means to obtain confidential information etc.) on the part of their Mexican opponents during a negotiation?

A. I think a formal negotiation should be preceded with some trust building measures. A trusting relationship is especially from the point of view of the Mexican party. Getting to know better a company and its functionaries generates more trust and facilitates negotiations.

5. Several research findings suggest that the usage of questionable negotiation tactics such as making false promises about delivery time and meeting deadlines, giving false impression about available resources etc. are significantly higher among Mexicans than their US counterparts. What is your comment about such criticisms?

A. I do not think we are talking of "false" promises. I believe it is a sincere over estimation of their capacity and ability to comply, and obtain the necessary inputs. Motivated by the over eagerness to establish a relation and make the deal, and maybe underestimating the logistic part in resources may result in non-fulfillment of a contractual obligation on time. But Mexican negotiators would not deliberately make false promises.

6. Most of the big businesses in Mexico are family owned. Do you think that this affects the negotiation behavior of the Mexican people?

A. In our big family owned businesses, family members are very well educated in Mexican and or foreign universities, often with master degrees, plus knowledge, and experience in foreign cultures and language having lived out of México, for participating and or supervising similarly capable and prepared employees. Plus they often have very capable and experienced high level advisors. All these factors make them good negotiators in a bargaining table.

7. Have you noticed any unique behavior among Mexican negotiators that you think deserve research attention?

A. Yes, excessive confidence of success even with little or no formal negotiation training, and poor planing and preparation for negotiations often put Mexican negotiators at a disadvantageous situation. I believe that in order to be successful negotiators, Mexican negotiators need to put more attention to these factors.

APPENDIX 1-D

Interview with Professor Rolando Robolloso

[Professor Lic. Rolando Robolloso is the Chair of the Department of Sociology at the Universidad de Monterrey, Mexico. He is a former President of the Mexican Association for Canadian Studies. He is also involved with consulting. Excerpts from his interview are reproduced below]

1. As a Professor of Sociology, you are well versed with the impact of Mexican culture and society on the behavior of Mexican people in an exchange process such as international negotiation. How would you characterize the negotiation style of Mexican people?

A. The behavior of the Mexican people in terms of their international negotiation is not very aggressive. Most of the international negotiations here take place with the American people and I think Mexican people have a special relationship with the Americans because of the geographical proximity and also because of our long history of business relationships with them. One special thing that I want to point out is that the Mexican and the Americans are very cooperative in their business dealings even though they may not necessarily agree on matters such as labor relationship, the pattern of friendship etc.

2. Do you think that the Mexican culture has a profound effect on the way the Mexican people negotiate?

A. In terms of the mental make-up of the Mexicans, I would say that they take intense pride in their history and heritage. They also take a very nationalistic approach when they negotiate with foreigners. This combative style is often an expression of rejection of many ideas put forth by the "Gringos." Another point that I want to emphasize is that the methodology for working is very different in Mexico than it is in the USA. Mexicans have a more flexible concept of time than Americans which often creates friction between the negotiators from the USA and Mexico.

3. In what ways do you think that the Mexican culture affects the negotiation behavior of Mexican people with foreigners?

A. I think that the behavior of the Mexican people, as compared to people from the Anglo-Saxon culture, is long-term oriented. The Chinese, the Arabs, the Japanese are also interested in long-term relationship like us. I think this is a positive aspect of the Mexican culture that they want to maintain a long-term relationship. And such friendship over the long run is the most important part of a negotiation.

4. It is alleged that Mexican negotiators are not serious about their time commitment and they often mislead the foreign negotiators by giving false information. What is your comment about such criticisms?

A. This is a wrong perception about Mexican people and about the Mexican culture. Most of the foreigners do not know or understand or even try to understand the real Mexican culture. Mexicans are usually very open-minded and they try to show who they are. However, while negotiating with foreigners, they may use" masks" so that nobody

can understand at the beginning what they want. They often want to hold the last card under their vests.

I want to share with you an image of the Mexicans that I remember for a longtime: a Mexican sitting behind an AGAVE with a tequila bottle in his hand. This portrays Mexican people as being lazy. This is the image that the foreigners have about us. But actually when you discover that many Mexicans have been very successful in terms of business, you would realize the quality of the Mexicans as negotiators. You can also see many Mexican firms among the fortune 500 companies.

6. As a former President of the Mexican Association for Canadian Studies, you had ample opportunities to know about the Canadian culture and negotiation behavior of Canadian business people. As a management consultant, you are also familiar with the negotiation style of the US business people. In what respects do you think the negotiation style of Mexican people are different from that of he US and Canadian business people?

A. One point that I would like to emphasize is that doing business with Canadians is a new matter for Mexicans. What I have noticed is that we are closer to the Francophone culture than to the anglophone culture. This could be due to the fact that we both have roots in Latin culture. The American culture is helping us to understand the Anglophone Canadian culture. Another thing that I would bring to your notice is that the Canadians have a lot of attraction for the geography and people of Mexico. But compared to the Canadians, the Americans are more ignorant about the Mexican culture even though they are geographically closer than Canada.

7. Have you noticed any unique behavior among Mexican negotiators that you think deserve research attention?

A. I would like to draw the attention of researchers to the important role of family in a business negotiation. Unlike the publicly traded corporations that you see in the USA, most of the big business firms in Mexico are owned by families. Therefore, when someone is engaging in a negotiation, he is representing his family and friends. And you can see this if you look deeply in the ownership structures of the big commercial enterprises of Mexico (e.g., Cemex owned by Zambrano family, Alpha owned by Garza Sada family etc.). Such family links have a profound influence on and stake at the negotiation outcome.

APPENDIX 1-E

Interview with Lic. Samuel Ramos

[Lic. Samuel Ramos is a professor of law at the Universidad de Monterrey, Mexico. Professor Ramos studied in the USA, Canada, Mexico, and France. As a practitioner of commercial and international law, Professor Ramos has provided legal service in several international negotiations. Professor Ramos, who is a grandson of famous Mexican Literature Samuel Ramos, is also a keen observer of the cultural changes that are taking place in Mexico. Excerpts from his interview are reproduced below]

1. Do you think that the Mexican culture has a profound effect on the way the Mexican people negotiate?

A. There is no such general thing called "Mexican Culture." There are several cultures: Catholic, Conservative, and another culture known as MALINCHISMO, which refers to a kind of inferiority complex. The pre-Colombian Mexicans were conquered by the Spaniards. Most of the Spaniards who came here were males. They eventually raped many of the local women and the result was the birth of new race which we call "Mexican." Because of such historic reasons, it was very natural that the people of the new race suffered from submissiveness among other phenomenon. Even today, many Mexicans tend to view everything that comes from abroad as better than what they have here at home. On the other hand, there has always been the problem of trying to beat or cheat people from other places. This is because we think that we can outsmart them. And that is very very prevalent especially when negotiate with "Güeritos Gringos" (blond Americans). Mexicans often believe that these foreigners are naive. Although in reality

not all foreign negotiators are naive, but they are perceived as such because they don't follow the same rules.

As I had mentioned before, there is no such thing as global Mexican culture, especially in the business context. Many businessmen do not have to do anything with Mexican culture as they are of Jewish or Lebanese culture. They have their own distinct cultures emanating from their family, ethnic, and religious backgrounds. Sometimes, foreigners are surprised that they find negotiators in front of them who know many languages and who have foreign degrees. So the Mexican negotiators usually have an upper hand in negotiation.

2. In what ways do you think the negotiation behavior of Mexican people with foreigners differ from their negotiation behavior with their compatriots?

A. In Mexico, everybody tries to outsmart everybody else and everybody plays by the same rule. The ultimate goal many times is who is going to get other. So they are more careful when dealing with a Mexican for fear of repercussion. But in case of negotiations with a foreigner, they may resort to more aggressive tactics. They do not play by the same rules in domestic and in international negotiations.

3. Since the Mexican society is very collectivist, is it important for a foreigner to first build relationship and then negotiate with his/her Mexican counterpart(s)?

A. The most important thing a foreign negotiator has to do is to create a personal relationship with a Mexican negotiator. That is most important thing, because of that same Malinchismo, a Mexican can feel flattered to have a foreign friend and therefore will eventually give up some of his positions or to take advantage of the person.

4. Do you think that any trust building efforts may reduce opportunistic behavior (such as bluffing, misrepresentation, using inappropriate means to obtain confidential information etc.) during a negotiation?

A. If trust building efforts are successful and creates trust, then it will reduce the tendency of opportunistic behavior among the Mexican business people.

5. Mexican businessmen are often accused of making false promises about delivery time and giving false impression about available resources. What is your comment about such criticisms?

A. Words do not have same meaning across cultures. And specifically, time is not perceived in the same way in Mexico as it is in the USA. Deadline is something unknown in Mexico and there is always a possibility to defer a work till tomorrow. Saying yes and No, does not necessarily mean yes and no. At times people say yes just to make the other person feel good. Yes does not necessarily mean a commitment. And Mexican people will hardly say 'No,' especially in a face-to-face conversation.

6. Have you noticed any unique behavior among Mexican negotiators that you think deserve research attention?

A. I would like to draw attention of researchers to the followings:

a) watch the body language- it speaks far more than words

b) never ever think that you will understand a Mexican until and unless you have studies the Mexican culture, especially this Malinchismo.

c) Mexico is a very complex society and it is difficult to judge or understand it by just looking at the behavior of the people on the surface.

APPENDIX 1-F

Interview with Mr. Douglas Cullen

[Mr. Douglas Cullen is a founder-managing partner of the *Global Solutions Inc.*, a management consulting firm. Mr. Cullen, who is a US national, has been working in Mexico since 1994. He has vast experience in providing consulting and cross-cultural management training to some of the top Mexican firms. Excerpts from interview with Mr. Cullen are reproduced below].

1. As a management consultant with vast experience in Mexican business customs, how would you characterize the negotiation style of Mexican people? Are they generally very cooperative, or are they very competitive in their negotiations?

A. I have found Mexican business people to be both cooperative and competitive in their negotiations. They willingly come to negotiate and are interested in reaching a resolution to the negotiation, but at the same time, they are very firm in their position. They consider a negotiation to be successful when they do not concede many points. Mexicans do not feel the need to come to an immediate conclusion in their negotiations. This could been seen as a lack of competitiveness, although I don't believe it to be so. The time frame for negotiation is much longer and open, but this does not necessarily mean that they are not competitive. They just compete differently.

2. In what way do you think the negotiation behavior of Mexican people with foreigners differ from their negotiation behavior with their compatriots?

A. I think negotiations move a little slower when Mexicans are dealing with foreigners. By American standards, all Mexican negotiations move very slowly. Americans want a resolution to any negotiation immediately. Mexicans prefer to negotiate until the negotiation feels right, then bring the negotiation to a resolution. The sense of urgency that an American feels during a negotiation is lacking in his/her Mexican counterpart. This sense of urgency appears aggressive and unprofessional to a Mexican. They feel that Americans don't understand how to conduct business properly. This difference of opinion in how business should be conducted slows any negotiation down because it takes longer for the Mexican negotiators to "feel right."

3. Since the Mexican society is very collectivist, do you think that it is important for a foreign negotiator to first build relationship and create a feeling of trust and then negotiate with his/her Mexican counterpart(s)?

A. Creating trust in a business relationship is critical. Good business relations come from good personal relations. Mexicans are not comfortable dealing with someone until they have a feeling for person. Mexicans tend to view foreigners, more so, Canadians and Americans as too direct and impatient which indicates a disregard for the individual that they are dealing with. The most effective way for a foreigner to negotiate effectively is to develop a network of personal relationships within the company or group of people with whom they are going to negotiate. This should be done long before the negotiation begins. Established personal relationships are an absolute requirement for successful negotiations in Mexico.

Americans pride themselves on being able to separate the personal from business dealings. To Mexicans, business dealings are personal. They do not see how the two

could be separated nor do they want to separate them. Personal relationships act as a compass in all business dealings.

4. Do you think that any trust building efforts may reduce opportunistic behavior (such as bluffing, misrepresentation, using inappropriate means to obtain confidential information etc.) during a negotiation?

A. Trust building efforts reduce opportunistic behaviors anywhere, even more so in Mexico.

5. Do you think Mexican culture plays any role in the way Mexican people place their trust in a foreign negotiator as opposed to a Mexican negotiator?

A. In general, Mexicans are more wary of foreigners in negotiations. I wouldn't characterize it specifically as distrust, but with a foreigner negotiator they lack a feeling for what the foreigner negotiator is like as a person and it makes them want to move a little slower in any negotiation.

6. Several research findings suggest that the usage of questionable negotiation tactics such as making false promises about delivery time and meeting deadlines, giving false impression about available resources etc. are significantly higher among Mexicans than their US counterparts. What is your comment about such criticisms?

A. Mexicans don't want to disappoint people. Oftentimes they will make promises that they would like to keep but are unable to keep. I don't always think when they promise something and don't deliver that it is an attempt at deception. I see it as an attempt to keep the other party from being disappointed in them or their company.

If a persons intentions were good, not delivering on a promise or meeting a deadline is not viewed so harshly as it would be in the U.S. Intentions do not mean much to an American, deeds do. To a Mexican, the important thing is the intent of the person, even if the person doesn't appear to make a great effort to deliver.

I have been involved in a number of situations where I have not received what I had been promised. Each person who didn't deliver on their promises had many reasons why they were unable to do so. I made my unhappiness with the situations very clear which offended the people I was dealing with. According to them, they had wanted to do what they promised, but for many reasons beyond their control they couldn't deliver. Therefore, I had no right to be upset. Their intentions were good. What more could I ask for? I saw the situation from American point of view – an undelivered promise. They saw it from the Mexican point of view – they acted with good intentions which was equivalent to a delivered promise.

7. Have you noticed any unique behavior among Mexican negotiators that you think deserve research attention?

A. The drinking rituals where businessmen go drinking together after hours would be an interesting area to investigate. It is quite common for a group of businessmen to get together after work to go drinking. They drink quite a bit and tell a lot of stories about personal exploits. A great deal of trust and personal goodwill come from these drinking get-togethers which in turn furthers any business relationships and also stimulates new business relationships. I don't know if any research has been done in this area but it certainly would be useful and interesting to have an in-depth understanding of these drinking rituals.

APPENDIX - 2A

Questionnaire for Canada (English Version)

Negotiation Questionnaire (Set A)

This questionnaire is a part of a study on how negotiators decide when certain strategy and tactics are ethical and appropriate in international negotiations and about how much trust negotiators place on their opponents while they negotiate. This study is sponsored by the University of Texas-Pan American. You are requested to fill out the questionnaire and put it inside the stamped, self-addressed envelope and mail it. Your cooperation in conducting this research will be highly appreciated.

In completing this questionnaire, please try to be as candid as you can about what you think is appropriate and acceptable to do. You are being asked about tactics that are controversial. However, your response on this questionnaire are completely anonymous, and no one will ever know your individual responses.

PART - I

In this part, you are asked about your general feeling toward your counterpart while you are negotiating. In filling out this portion, please assume that you are negotiating with a businessperson **of your sex** who is from your **own country**. This is your **first negotiation** with this person. Please also assume that you are negotiating for something which is very important for your business. You are given six general statements concerning your feeling toward your opponent negotiator. Please express your agreement/disagreement about these statements using the following scale:

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree Nor disagree			Strongly Agree

Rating

1. The opponent can be generally relied upon to honor the promises he/she makes in a negotiation. _____
2. I can count on my opponent negotiator to be sincere. _____
3. The opponent can be relied upon not to breach any term or condition of the contract. _____
4. I will have to be cautious in my dealings with my opponent negotiator. _____
5. I will be suspicious of my opponent's negotiator's actual intentions. _____
6. My opponent should not generally be relied upon about complete execution of the contract. _____

PART - II

In this section, you are asked about some commonly used negotiation tactics. Please assume that you are negotiating with a businessperson **of your sex** **from your country** for something which is very important to your business. Please assume that this is your **first** negotiation with this person. For each tactic, you will be asked to indicate how likely you are to use this tactic in a negotiation. Please assign a rating to the likelihood of use of each tactic, based on the following scale.

1	2	3	4	5	6	7
very Unlikely			Neither likely Nor Unlikely			very Unlikely

Rating

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained. _____
2. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions. _____
3. I attempt to get my opponent fired from his/her position so that a new person will take his/her position. _____
4. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred. _____
5. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me. _____
6. I make an opening demand that is far greater than what I really hope to settle for. _____
7. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly. _____
8. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through. _____
9. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat. _____
10. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid. _____
11. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger. _____
12. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator. _____
13. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors." _____
14. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement. _____
15. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later. _____
16. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information). _____
17. I use lots of hints in my negotiation with my opponent. _____
18. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc. to make my message clear to my opponent. _____

PART - III

PERSONAL PROFILE

Age: ☐ 20-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years and above

Ethnic/Racial Background: _____ Anglophone _____ Francophone
_____ Other (please specify)_____

Sex: ☐ M ☐ F Nationality:_____ Occupation:_____

Resident of: ☐ Alberta, ☐ British Columbia, ☐ Manitoba, ☐ New Brunswick, ☐ Nova Scotia, Ontario, ☐ PEI, ☐Québec, ☐ Saskatchewan, ☐ Yukon, ☐ NWT

Level of Education completed: ☐ High School ☐ Bachelors ☐ Master or Above

Annual Household Income (Approximate):

☐ Below $ 40,000	☐ 40,000-49,999	☐ 50,000-59,999
☐ 60,000-69,999	☐ 70,000-79,999	☐ 80,000-89,999
☐ 90,000-100,000	☐ Over 100,000	

Type of business:

☐ Manufacturing (please specify): _____
☐ Service (please specify): _____

Do you have any negotiation experience:
☐ Yes ☐ No

How long have you been working?

☐ Less than 5 years ☐ 5-10 years ☐ 11-15 years ☐ 16-20 years ☐ Over 20 years

Negotiation Questionnaire (Set B)

This questionnaire is a part of a study on how negotiators decide when certain strategy and tactics are ethical and appropriate in international negotiations and about how much trust negotiators place on their opponents while they negotiate. This study is sponsored by the University of Texas-Pan American. You are requested to fill out the questionnaire and put it inside the stamped, self-addressed envelope and mail it. Your cooperation in conducting this research will be highly appreciated.

In completing this questionnaire, please try to be as candid as you can about what you think is appropriate and acceptable to do. You are being asked about tactics that are controversial. However, your response on this questionnaire are completely anonymous, and no one will ever know your individual responses.

PART - I

In this part, you are asked about your general feeling toward your counterpart while you are negotiating. In filling out this portion, please assume that you are negotiating for the **first time** with a businessperson of your sex from **Maldives** for something which is very important to your business. Maldives is a small island nation located in the Indian Ocean, south-west of India. You are given six general statements concerning your feeling toward your opponent negotiator. Please express your agreement/disagreement about these statements using the following scale:

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree Nor disagree			Strongly Agree

	Rating
1. The opponent can be generally relied upon to honor the promises he/she makes in a negotiation.	____
2. I can count on my opponent negotiator to be sincere.	____
3. The opponent can be relied upon not to breach any term or condition of the contract.	____
4. I will have to be cautious in my dealings with my opponent negotiator.	____
5. I will be suspicious of my opponent's negotiator's actual intentions.	____
6. My opponent should not generally be relied upon about complete execution of the contract.	____

PART - II

In this section, you are asked about some commonly used negotiation tactics that are often used in negotiation. Please assume that you are negotiating with a businessperson of **your sex** from **Maldives** for something which is very important to your business. Please assume that this is your **first** negotiation with this person. For each tactic, you will be asked to indicate how likely you are to use this tactic in a negotiation. Please assign a rating to the likelihood of use of each tactic, based on the following scale.

1	2	3	4	5	6	7
Very Unlikely			Neither likely Nor Unlikely			Very Likely

Rating

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained. _____
2. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions. _____
3. I attempt to get my opponent fired from his/her position so that a new person will take his/her position. _____
4. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred. _____
5. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me. _____
6. I make an opening demand that is far greater than what I really hope to settle for. _____
7. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly. _____
8. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through. _____
9. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat. _____
10. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid. _____
11. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger. _____
12. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator. _____
13. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors." _____
14. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement. _____
15. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later. _____
16. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information). _____
17. I use lots of hints in my negotiation with my opponent. _____
18. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc. to make my message clear to my opponent. _____

PART - III

PERSONAL PROFILE

Age: ☐ 20-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years and above

Ethnic/Racial Background: _____ Anglophone _____ Francophone
_____ Other (please specify)_____

Sex: ☐ M ☐ F Nationality:_____ Occupation:_____

Resident of: ☐ Alberta, ☐ British Columbia, ☐ Manitoba, ☐ New Brunswick, ☐ Nova Scotia, Ontario, ☐ PEI, ☐Québec, ☐ Saskatchewan, ☐ Yukon, ☐ NWT

Level of Education completed: ☐ High School ☐ Bachelors ☐ Master or Above

Annual Household Income (Approximate):

☐ Below C$ 40,000	☐ 40,000-49,999	☐ 50,000-59,999
☐ 60,000-69,999	☐ 70,000-79,999	☐ 80,000-89,999
☐ 90,000-100,000	☐ Over 100,000	

Type of business:

☐ Manufacturing (please specify): _____
☐ Service (please specify): _____

Do you have any negotiation experience:
☐ Yes ☐ No

How long have you been working?
☐ Less than 5 years ☐ 5-10 years ☐ 11-15 years ☐ 16-20 years ☐ Over 20 years

Do you know anyone from Maldives?
☐ Yes ☐ No

APPENDIX - 2B

Questionnaire for Canada (French Version)

Incidents lors des négociations (Set A)

Aux gens qui répondent: Ce questionnaire a été conçu pour amasser de l'information pour une étude académique commanditée par l'Université de Texas Pan-American. Nous vous demandons de répondre aux questions et de retourner le questionnaire dûment rempli à: Mohammad Elahee, College of Business Administration, University of Texas Pan-American, 1201, W. University Drive, Edinburg, TX 78539-2999, USA. Nous apprécions beaucoup votre coopération.

Ce questionnaire fait partie d'une étude de recherches sur la façon que les négociateurs décident que certaines stratégies et tactiques sont éthiques et appropriées lors des négociations. Dans vos réponses, soyez franc(he)s sur ce que vous jugez être approprié et acceptable comme action. Nous vous posons des questions sur les tactiques qui sont controversées. Soyez assuré(e)s que vos réponses sont confidentielles, et que personne ne saura jamais vos réponses comme individu.

Partie I

Dans cette partie, vous allez donner vos impressions sur la personne avec laquelle vous êtes amené à négocier la signature d'un contrat. Dans la partie à remplir, imaginez que vous négociez en vue de la signature d'un gros contrat avec un homme d'affaires que vous ne connaissez pas et qui est de **votre pays**. C'est votre **premier rendez-vous** avec cette personne.

Vous trouverez ci-dessous six phrases décrivant vos impressions et votre opinion vis à vis de la personne avec laquelle vous négociez. En utilisant l'échelle ci-dessous, exprimez votre accord ou votre désaccord quant à ces affirmations.

1	2	3	4	5	6	7
En total désaccord			Ni d'accord Ni en désaccord			Tout à fait d'accord

Indice

1. Le concurrent tient généralement les promesses qu'il fait lors d'une négociation. _____
2. Je peux avoir confiance en la sincérité du concurrent avec lequel je négocie. _____
3. Je peux faire confiance au concurent pour qu'il respecte les termes du contrats. _____
4. Je devrai faire attention à mes gestes et paroles en négociant avec mon concurrent. _____
5. Je devrai être vigilent et douter des réelles intentions de mon concurrent lors des négociations. _____
6. Je ne devrai pas faire confiance à mon concurrent avant que le contrat soit définitivement signé. _____

Partie II

Nous vous demandons de considérer cette liste de tactiques que les négociateurs utilisent parfois. Vous devez considérer ces tactiques **dans le contexte d'une situation où vous négocierez pour quelque chose qui est très important pour vous et votre entreprise.**

Veuillez noter: En répondant aux questions, il faut présumer que vous négociez pour **la premiere fois** avec un homme d'affaires que vous ne connaissez pas et qui est de **votre pays**. Ce rendez-vous est très important pour votre compagnie. Pour chaque tactique, nous vous demandons de considérer la justesse de celle-ci dans le contexte sus-mentionné, et de lui attribuer un indice basé sur l'échelle qui suit:

1	2	3	4	5	6	7
très probable			Ni probable Ni improbable			très improbable

(Si vous avez besoin d'expliquer votre décision, veuillez le faire à la fin du questionnaire, ou sur l'endos du questionnaire.)

Indice

1. Promettre à votre adversaire que de bonnes choses lui arriveront si il/elle vous donne ce que vous voulez, même quand vous savez que vous ne livrerez pas (ne pourrez pas livrer) ces choses une fois sa coopération obtenue. _____

2. Déformer intentionnellement l'information donnée à votre adversaire afin de renforcer votre position ou votre débat en négociation. _____

3. Essayer d'obtenir la mise à pied de votre adversaire, pour qu'une autre personne prenne sa place. _____

4. Présenter intentionnellement sous un faux jour, à vos électeurs, la nature des négociations, afin de protéger des discussions délicates qui ont eu lieu. _____

5. Obtenir de l'information sur la position de négociation de votre adversaire, en payant de l'argent à vos ami(e)s, à vos associé(e)s, et à vos connaissances pour l'obtenir. _____

6. Faire une demande d'ouverture qui est beaucoup plus grande que vos espoirs réels éventuels. _____

7. Donner l'impression fausse que vous n'êtes aucunement pressé(e) pour arriver à une entente négociée, et ainsi essayer de mettre la pression du temps sur votre adversaire, pour qu'il/elle cède vite. _____

8. En retour pour des concessions de votre adversaire maintenant, lui offrir des concessions futures auxquelles vous savez ne pas faire suite. _____

9. Menacer de donner à votre adversaire l'apparence d'un/e faible ou d'un/e idiot devant son patron/sa patronne ou autre personne à qui il/elle répond, même si vous savez que vous ne le ferez pas. _____

10. Nier la validité de l'information de votre adversaire, quand cette information affaiblit votre position de négociation, même si cette information est vraie et valide. _____

11. Intentionnellement présenter sous un faux jour, à vos électeurs, le progrès des négociations, afin de donner une apparence plus forte à votre propre position. _____

12. Parler directement aux personnes à qui votre adversaire répond, et leur raconter des choses qui mineront leur confiance en votre adversaire comme négociateur/trice. _____

13. Obtenir des informations sur la position de négociation de votre adversaire, en cultivant son amitié par l'entremise des cadeaux dispendieux, des services personnels, ou des réceptions. _____

14. Commencer les négociations avec une demande si haute/basse qu'elle mine sérieusement la confiance de votre adversaire à négocier une entente satisfaisante. _____

15. Guarantir que vos électeurs respecteront l'entente conclue, même si vous savez qu'ils/elles vont probablement la renier plus tard. _____

16. Obtenir des informations sur la position de négociation de votre adversaire, en essayant de recruter un/e de ses coéquipiers (à condition que le/la coéquipier apporte des informations confidentielles). _____

17. J'emploie beaucoup de suggestions dans mes négociations avec mon opposant (adversaire). _____

18. Dans une negociation, j'emploie beaucoup de message non-verbaux (comme des gestes, des grimaces, des expressions faciaux, intonation vocaux) pour que mon message soit claire a mon opposant. _____

Partie III
Profil personnel

Age: ☐ 20-30 ans ☐ 30-40 ans ☐ 40 ans et plus

Origine éthnique: ☐Francophone ☐Anglophone ☐Autre (spécifiez):_____

Sexe: ☐ M ☐ F

Nationalité: _____ Occupation: _____

Résidence: ☐Alberta, ☐Colombie-Britannique, ☐ Manitoba, ☐ Nouveau-Brunswick, ☐Nouvelle-Ecosse, ☐ Ontario, ☐ IPE, ☐ Québec (Province), ☐ Saskatchewan, ☐Yukon, ☐ TNO

Niveau D'education Compli : ☐Ecole secondaire (11me, 12me, 13me) ☐ CEGEP ☐Baccalauréat ☐Maîtrise ou plus

Revenue Annuelle de la maison:

☐ Moins de C$ 40,000	☐ 40,000-49,999	☐ 50,000-59,999
☐ 60,000-69,999	☐ 70,000-79,999	☐ 80,000-89,999
☐ 90,000-100,000	☐ Plus de 100,000	

Type d' enterprise:
☐ Farbication
☐ Service

Ca fait combien temps que vous travaillez? ☐ Et menos 5 ans ☐ 5-10 ans ☐ 11-15 ans ☐ 16-20 ans ☐ 20 ans et plus

Avez vous des expereiences de negociation? ☐ Oui ☐ Non.

Incidents lors des négociations (Set B)

Aux gens qui répondent: Ce questionnaire a été conçu pour amasser de l'information pour une étude académique commanditée par l'Université de Texas Pan-American. Nous vous demandons de répondre aux questions et de retourner le questionnaire dûment rempli à: Mohammad Elahee, College of Business Administration, University of Texas Pan-American, 1201, W. University Drive, Edinburg, TX 78539-2999, USA. Nous apprécions beaucoup votre coopération.

Ce questionnaire fait partie d'une étude de recherches sur la façon que les négociateurs décident que certaines stratégies et tactiques sont éthiques et appropriées lors des négociations. Dans vos réponses, soyez franc(he)s sur ce que vous jugez être approprié et acceptable comme action. Nous vous posons des questions sur les tactiques qui sont controversées. Soyez assuré(e)s que vos réponses sont confidentielles, et que personne ne saura jamais vos réponses comme individu.

Partie I

Dans cette partie, vous allez donner vos impressions sur la personne avec laquelle vous êtes amené à négocier la signature d'un contrat. Dans la partie à remplir, imaginez que vous négociez pour **la premiere fois** avec un homme d'affaires que vous en connaissez pas et qui vient des îles **Maldives** situées dans l'Océan Indien, au Sud de l'Inde. Ce rendez-vous est très important pour votre compagnie.

Vous trouverez ci-dessous six phrases décrivant vos impressions et votre opinion vis à vis de la personne avec laquelle vous négociez. En utilisant l'échelle ci-dessous, exprimez votre accord ou votre désaccord quant à ces affirmations.

1	2	3	4	5	6	7
En total désaccord		Ni en désaccord	Ni d'accord		d'accord	Tout à fait

Indice

1. Le concurrent tient généralement les promesses qu'il fait lors d'une négociation. _____
2. Je peux avoir confiance en la sincérité du concurrent avec lequel je négocie. _____
3. Je peux faire confiance au concurent pour qu'il respecte les termes du contrats. _____
4. Je devrai faire attention à mes gestes et paroles en négociant avec mon concurrent. _____
5. Je devrai être vigilent et douter des réelles intentions de mon concurrent lors des négociations. _____
6. Je ne devrai pas faire confiance à mon concurrent avant que le contrat soit définitivement signé. _____

Partie II

Nous vous demandons de considérer cette liste de tactiques que les négociateurs utilisent parfois. Vous devez considérer ces tactiques **dans le contexte d'une situation où vous négocierez pour quelque chose qui est très important pour vous et votre entreprise.**

Veuillez noter: En répondant aux questions, il faut présumer que vous négociez pour **la premiere fois** avec un homme d'affaires que vous ne connaissez pas et qui vient des îles **Maldives** situées dans l'Océan Indien, au Sud de l'Inde. Ce rendez-vous est très important pour votre compagnie. Pour chaque tactique, nous vous demandons de considérer la justesse de celle-ci dans le contexte sus-mentionné, et de lui attribuer un indice basé sur l'échelle qui suit:

1	2	3	4	5	6	7
très probable			Ni probable Ni improbable			très improbable

(Si vous avez besoin d'expliquer votre décision, veuillez le faire à la fin du questionnaire, ou sur l'endos du questionnaire.)

Indice

1. Promettre à votre adversaire que de bonnes choses lui arriveront si il/elle vous donne ce que vous voulez, même quand vous savez que vous ne livrerez pas (ne pourrez pas livrer) ces choses une fois sa coopération obtenue. _____

2. Déformer intentionnellement l'information donnée à votre adversaire afin de renforcer votre position ou votre débat en négociation. _____

3. Essayer d'obtenir la mise à pied de votre adversaire, pour qu'une autre personne prenne sa place. _____

4. Présenter intentionnellement sous un faux jour, à vos électeurs, la nature des négociations, afin de protéger des discussions délicates qui ont eu lieu. _____

5. Obtenir de l'information sur la position de négociation de votre adversaire, en payant de l'argent à vos ami(e)s, à vos associé(e)s, et à vos connaissances pour l'obtenir. _____

6. Faire une demande d'ouverture qui est beaucoup plus grande que vos espoirs réels éventuels. _____

7. Donner l'impression fausse que vous n'êtes aucunement pressé(e) pour arriver à une entente négociée, et ainsi essayer de mettre la pression du temps sur votre adversaire, pour qu'il/elle cède vite. _____

8. En retour pour des concessions de votre adversaire maintenant, lui offrir des concessions futures auxquelles vous savez ne pas faire suite. _____

9. Menacer de donner à votre adversaire l'apparence d'un/e faible ou d'un/e idiot devant son patron/sa patronne ou autre personne à qui il/elle répond, même si vous savez que vous ne le ferez pas. _____

10. Nier la validité de l'information de votre adversaire, quand cette information affaiblit votre position négociation, même si cette information est vraie et valide. _____

11. Intentionnellement présenter sous un faux jour, à vos électeurs, le progrès des négociations, afin de donner une apparence plus forte à votre propre position. _____

12. Parler directement aux personnes à qui votre adversaire répond, et leur raconter des choses qui mineront leur confiance en votre adversaire comme négociateur/trice. _____

13. Obtenir des informations sur la position de négociation de votre adversaire, en cultivant son amitié par l'entremise des cadeaux dispendieux, des services personnels, ou des réceptions. _____

14. Commencer les négociations avec une demande si haute/basse qu'elle mine sérieusement la confiance de votre adversaire à négocier une entente satisfaisante. _____

15. Guarantir que vos électeurs respecteront l'entente conclue, même si vous savez qu'ils/elles vont probablement la renier plus tard. _____

16. Obtenir des informations sur la position de négociation de votre adversaire, en essayant de recruter un/e de ses coéquipiers (à condition que le/la coéquipier apporte des informations confidentielles). _____

17. J'emploie beaucoup de suggestions dans mes négociations avec mon opposant (adversaire). _____

18. Dans une negociation, j'emploie beaucoup de message non-verbaux (comme des gestes, des grimaces, des expressions faciaux, intonation vocaux) pour que mon message soit claire a mon opposant. _____

Partie III
Profil personnel

Age: ☐ 20-30 ans ☐ 30-40 ans ☐ 40 ans et plus

Origine éthnique: ☐Francophone ☐Anglophone ☐Autre (spécifiez):_____

Sexe: ☐ M ☐ F

Nationalité: _____ Occupation: _____

Résidence: ☐Alberta, ☐Colombie-Britannique, ☐Manitoba, ☐Nouveau- Brunswick, ☐Nouvelle-Ecosse, ☐Ontario, ☐IPE, ☐Québec (Province), ☐Saskatchewan, ☐Yukon, ☐TNO

Niveau D'education Compli : ☐Ecole secondaire (11me, 12me, 13me) ☐ CEGEP ☐Baccalauréat ☐Maîtrise ou plus

Revenue Annuelle de la maison:

☐ Moins de C$ 40,000	☐ 40,000-49,999	☐ 50,000-59,999
☐ 60,000-69,999	☐ 70,000-79,999	☐ 80,000-89,999
☐ 90,000-100,000	☐ Plus de 100,000	

Type d' enterprise:
☐ Farbication
☐ Service

Ca fait combien temps que vous travaillez? ☐ Et menos 5 ans ☐ 5-10 ans ☐ 11-15 ans ☐ 16-20 ans ☐ 20 ans et plus

Avez vous des expereiences de negociation? ☐Oui ☐ Non.

Connaissez-vous les îles Maldives? ☐Oui ☐Non

APPENDIX - 3

Questionnaire for Mexico

CUESTIONARIO DE INCIDENTES EN LA NEGOCIACION (Set A)

Este cuestionario es parte de un estudio sobre cómo los negociadores deciden cuándo ciertas tácticas y estrategias son éticas y apropiadas y que nivel de confianza tienen en sus contrapartes durante la negociacion. Este estudio forma parte de una encuesta internacional que illeva a cabo el profesor M.N. Elahee, investigador Canadiense. Para regresar su cuestanario, simplemente utilice el sobre con estamplilla postal y direccion pre-impresa que acompaña este envío. Agradecemos anticipadamente su amable y valiosa cooperación.

Al contestar este cuestionario, **por favor se franco posible en sus opiniones de los que más apropiado y aceptable en una negociación.** Sus respuestas a este cuestionario son completamente confidenciales y nadie conocerá sus respuestas individuales.

Sección I

En esta sección, le pedimos que responda a algunas preguntas acerca de sus impresiones generales sobre su contraparte mientras se lleva acabo la negociación. Al completar esta sección, asuma que usted está llevando a cabo esta negociación con una persona de **su país de origen.** Esta es la **primera vez** que usted realiza una negociacion con esta persona. Suponga además que usted está negociando con una persona de **su mismo sexo.**Considere que esta negociación es muy importante para su empresa. A continuación le damos seis afirmaciones generales acerca de sus impresiones sobre su contraparte en la negociación. Por favor, manifieste su opinión sobre las siguientes afirmaciones utilizando la siguiente escala del 1 al 7:

1	2	3	4	5	6	7
Completamente en desacuerdo			Ni de acuerdo ni en desacuerdo			Completamente de acuerdo

1. En general, se puede confiar en que el oponente cumpla las promesas que hace durante la negociación. _____

2. Puedo confiar en que mi contraparte será sincero (a) en la negociación. _____

3. Se puede confiar en que el negociador cumplirá con los términos y condiciones del contrato. _____

4. Tendré que ser precavido en mis acuerdos con mi contraparte. _____

5. Sospecharé de las intenciones reales de mi contraparte negociador. _____

6. En general, no se puede confiar en que mi oponente llevará a término el contrato. _____

Sección II

En esta sección sé le cuestionará sobre algunas tácticas que se usan comúnmente en los negocios. Deberá considerar que está negociando con una persona de su mismo sexo y de su mismo país en el contexto de una negociación muy importante para usted y su empresa. Al llenar este cuestionario asuma que está negociando con un representante de una **empresa de México,** y es la primera vez que realiza negociaciones con esta persona. Para cada táctica por favor indique que tan probable sería que usted usaro la tacticá en cada situación, usando la siguiente escala:

1	2	3	4	5	6	7
Muy Improbable			Ni probable Ni improbable			Muy probable

(Si necesita hacer algún comentario sobre alguna de las tácticas, por favor hágalo al margen)

Rating

1. Prometer que mi empresa va a hacer cosas buenas en favor de mi contraparte si el/ella me concede lo que deseo, aún y cuando yo sepa que no podré cumplir estas promesas. _____

2. Intencionalmente mentirle al negociador contrario para fortalecer mis argumentos negociadores y mi posición. _____

3. Intentar que despidan al negociador contrario para que una nueva persona tome su posición. _____

4. Intencionalmente mentirle a la empresa que represento respecto a la naturaleza de las negociaciones para proteger discusiones delicadas que hayan ocurrido. _____

5. Obtener información sobre la posición negociadora de mi contraparte pagándole a sus amigos u otros contactos para que me den la información. _____

6. Hacer una demanda inicial mucho más elevada de la que finalmente se pretende. _____

7. Dar la falsa impresión de que no tengo prisa en llegar a un acuerdo para que mi contraparte se desespere y haga concesiones rápidamente. _____

8. Ofrecer hacer concesiones futuras a cambio de que el negociador contrario haga concesiones ahora, aún cuando sé que no podré hacer las concesiones que ofrecí. _____

9. Amenazar con hacer ver mal al negociador contrario frente a su jefe y otros superiores, aún y cuando sé que no llevaré la amenaza a cabo. _____

10 Negar la validez de la información que mi oponente tiene y que debilita mi posición negociadora, aún y cuando se que la información es cierta. _____

11. Intencionalmente mentirle a la empresa que represento sobre el progreso de las negociaciones para hacer parecer que mi posición negociadora es sólida. _____

12. Hablar directamente con los supervisores del negociador contrario para decirles cosas que perjudiquen la confianza que tengan en esa persona como negociador. _____

13. Obtener información sobre la posición negociadora de mi contraparte cultivando su amistad a base de regalos caros, entretenimiento, o favores personales. _____

14. Hacer una demanda inicial muy superior/inferior a lo que finalmente se pretende de manera que perjudique la confianza de mi contraparte en su propia habilidad para negociar un trato satisfactorio. _____

15.Garantizar que su empresa mantendrá el arreglo final con el negociador contrario, aún y cuando sé que el arreglo no será cumplido en el futuro. _____

16. Obtener información sobre la posición negociadora de mi oponente tratando de contratar a uno de los compañeros de su equipo en la empresa (con la condición de que este compañero brinde información confidencial). _____

17. Doy señales indirectas a mi contraparte para que interprete mi posición negociadoraario. _____

18. Uso mucho lenguaje no verbal (por ejemplo gesticulaciones, posturas, expresiones faciales, tonos de voz, etc.) para hacer llegar claro mi mensaje a mi oponente. _____

Sección III
Perfil Personal

Edad: ☐20-30 años ☐31-40 años ☐41-50 años ☐51 años o más

Nacionalidad:_____

Sexo: ☐ Masculino ☐ Femenino

Lugar de residencia, especifique: _____

Nivel Máximo de Educación: ☐ Preparatoria ☐ Licenciatura ☐ Posgrado

Ocupación:_____

Ingreso Mensual aproximado (en Pesos Mexicanos)

☐ Menos de $ 10,000 ☐ 10,000 - 19,999 ☐ 20,000 - 29,999
☐ 30,000 - 39,999 ☐ 40,000 - 49,999 ☐ 50,000- 59,999
☐ Más de 60,000

Giro de su empresa:

Manufactura (especifique):_____
Servicios (especifique):_____

¿ Cuánto tiempo ha estado en los negocios?

☐ Menos de 5 años
☐ 5 - 10 años
☐ 11 - 15 años
☐ 16 - 20 años
☐ Más de 20 años

¿ Tiene alguna experencia en negociaciones?

☐Sí ☐No

CUESTIONARIO DE INCIDENTES EN LA NEGOCIACION (Set B)

Este cuestionario es parte de un estudio sobre cómo los negociadores deciden cuándo ciertas tácticas y estrategias son éticas y apropiadas y que nivel de confianza tienen en sus contrapartes durante la negociacion. Este estudio forma parte de una encuesta internacional que illeva a cabo el profesor M.N. Elahee, investigador Canadiense. Para regresar su cuestanario, simplemente utilice el sobre con estamplilla postal y direccíon pre-impresa que acompaña este envío. Agradecemos anticipadamente su amable y valiosa cooperación.

Al contestar este cuestionario, **por favor se franco posible en sus opiniones de los que más apropiado y aceptable en una negociación.** Sus respuestas a este cuestionario son completamente confidenciales y nadie conocerá sus respuestas individuales.

Sección I

En esta sección, le pedimos que responda a algunas preguntas acerca de sus impresiones generales sobre su contraparte en la negociación mientras usted esta llevando a cabo dicha operación. Al completar esta sección, asuma que usted está llevando a cabo esta negociación con una persona de **las islas Maldivas. La República de las Maldivas es un pequeño país localizado en el Océano Indico al sur de la India.** Esta es la primera vez que usted realiza una negociacion con esta persona de negocios a quien usted desconoce. Suponga además que usted está negociando con una persona de **su mismo sexo.** Considere que esta negociación es muy importante para su empresa. A continuación le damos seis afirmaciones generales acerca de sus impresiones sobre su contraparte en la negociación. Por favor, manifieste su opinión sobre las siguientes afirmaciones utilizando la siguiente escala del 1 al 7:

1	2	3	4	5	6	7
Completamente en desacuerdo			Ni de acuerdo ni en desacuerdo			Completamente de acuerdo

1. En general, se puede confiar en que el oponente cumpla las promesas que hace durante la negociación. _____
2. Puedo confiar en que mi contraparte será sincero (a) en la negociación. _____
3. Se puede confiar en que el negociador cumplirá con los términos y condiciones del contrato. _____
4. Tendré que ser precavido en mis acuerdos con mi contraparte. _____
5. Sospecharé de las intenciones reales de mi contraparte negociador. _____
6. En general, no sé puede confiar en que mi oponente llevará a término el contrato. _____

Sección II

En esta sección sé le pedirá que considere una lista de tácticas que los negociadores usan comunmente. Deberá considerar que está negociando con una persona de **su mismo sexo y de las Islas Maldivas** en el contexto de una negociación muy importante para usted y su empresa. Al llenar este cuestionario asuma que está negociando con un representante de una empresa de Maldivas y es **la primera vez** que realiza negociaciones con esta persona. Para cada táctica por favor indique que tan probable sería que usted usaro la tacticá en cada situación, usando la siguiente escala:

1	2	3	4	5	6	7
Muy Improbable			Ni probable Ni improbable			Muy probable

(Si necesita hacer algún comentario sobre alguna de las tácticas, por favor hágalo al margen)

Rating

1. Prometer que mi empresa va a hacer cosas buenas en favor de mi contraparte si el/ella me concede lo que deseo, aún y cuando yo sepa que no podré cumplir estas promesas. _____

2. Intencionalmente mentirle al negociador contrario para fortalecer mis argumentos negociadores y mi posición. _____

3. Intentar que despidan al negociador contrario para que una nueva persona tome su posición. _____

4. Intencionalmente mentirle a la empresa que represento respecto a la naturaleza de las negociaciones para proteger discusiones delicadas que hayan ocurrido. _____

5. Obtener información sobre la posición negociadora de mi contraparte pagándole a sus amigos u otros contactos para que me den la información. _____

6. Hacer una demanda inicial mucho más elevada de la que finalmente se pretende. _____

7. Dar la falsa impresión de que no tengo prisa en llegar a un acuerdo para que mi contraparte se desespere y haga concesiones rápidamente. _____

8. Ofrecer hacer concesiones futuras a cambio de que el negociador contrario haga concesiones ahora, aún cuando sé que no podré hacer las concesiones que ofrecí. _____

9. Amenazar con hacer ver mal al negociador contrario frente a su jefe y otros superiores, aún y cuando sé que no llevaré la amenaza a cabo. _____

10. Negar la validez de la información que mi oponente tiene y que debilita mi posición negociadora, aún y cuando se que la información es cierta. _____

11. Intencionalmente mentirle a la empresa que represento sobre el progreso de las negociaciones para hacer parecer que mi posición negociadora es sólida. _____

12. Hablar directamente con los supervisores del negociador contrario para decirles cosas que perjudiquen la confianza que tengan en esa persona como negociador. _____

13. Obtener información sobre la posición negociadora de mi contraparte cultivando su amistad a base de regalos caros, entretenimiento, o favores personales. _____

14. Hacer una demanda inicial muy superior/inferior a lo que finalmente se pretende de manera que perjudique la confianza de mi contraparte en su propia habilidad para negociar un trato satisfactorio. _____

15. Garantizar que su empresa mantendrá el arreglo final con el negociador contrario, aún y cuando sé que el arreglo no será cumplido en el futuro. _____

16. Obtener información sobre la posición negociadora de mi oponente tratando de contratar a uno de los compañeros de su equipo en la empresa (con la condición de que este compañero brinde información confidencial). _____

17. Doy señales indirectas a mi contraparte para que interprete mi posición negociadoraario. _____

18. Uso mucho lenguaje no verbal (por ejemplo gesticulaciones, posturas, expresiones faciales, tonos de voz, etc.) para hacer llegar claro mi mensaje a mi oponente. _____

Sección III
Perfil Personal

Edad: ☐ 20-30 años ☐ 31-40 años ☐ 41-50 años ☐ 51 años o más

Nacionalidad:_____

Sexo: ☐ Masculino ☐ Femenino

Lugar de residencia, especifique: _____

Nivel Máximo de Educación: ☐ Preparatoria ☐ Licenciatura ☐ Posgrado

Ocupación:_____

Ingreso Mensual aproximado (en Pesos Mexicanos)

☐ Menos de $ 10,000 ☐ 10,000 - 19,999 ☐ 20,000 - 29,999
☐ 30,000 - 39,999 ☐ 40,000 - 49,999 ☐ 50,000- 59,999
☐ Más de 60,000

Giro del su empresa:

Manufactura (especifique):_____
Servicios (especifique):_____

¿ Cuánto tiempo ha estado en los negocio?

☐ Menos de 5 años
☐ 5 - 10 años
☐ 11 - 15 años
☐ 16 - 20 años
☐ Más de 20 años

¿ Tiene alguna experencia en negociaciones?

☐ Sí ☐ No

¿ Conoce a alguna persona de Maldivas?

☐ Sí ☐ No

APPENDIX - 4

Questionnaire for the USA

Negotiation Questionnaire (Set A)

This questionnaire is a part of a study on how negotiators decide when certain strategy and tactics are ethical and appropriate in international negotiations and about how much trust negotiators place on their opponents while they negotiate. This study is sponsored by the University of Texas-Pan American. You are requested to fill out the questionnaire and put it inside the stamped, self-addressed envelope and mail it. Your cooperation in conducting this research will be highly appreciated.

In completing this questionnaire, please try to be as candid as you can about what you think is appropriate and acceptable to do. You are being asked about tactics that are controversial. However, your response on this questionnaire are completely anonymous, and no one will ever know your individual responses.

PART - I

In this part, you are asked about your general feeling toward your counterpart while you are negotiating. In filling out this portion, please assume that you are negotiating with a businessperson of your sex who is from your **own country**. This is your **first negotiation** with this person. Please also assume that you are negotiating for something which is very important for your business. You are given six general statements concerning your feeling toward your opponent negotiator. Please express your agreement/disagreement about these statements using the following scale:

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree Nor disagree			Strongly Agree

Rating

1. The opponent can be generally relied upon to honor the promises he/she makes in a negotiation. _____
2. I can count on my opponent negotiator to be sincere. _____
3. The opponent can be relied upon not to breach any term or condition of the contract. _____
4. I will have to be cautious in my dealings with my opponent negotiator. _____
5. I will be suspicious of my opponent's negotiator's actual intentions. _____
6. My opponent should not generally be relied upon about complete execution of the contract. _____

PART - II

In this section, you are asked about some commonly used negotiation tactics. Please assume that you are negotiating with a businessperson of your sex **from your country** for something which is very important to your business. Please assume that this is your **first** negotiation with this person. For each tactic, you will be asked to indicate how likely you are to use this tactic in a negotiation. Please assign a rating to the likelihood of use of each tactic, based on the following scale

1	2	3	4	5	6	7
Very Unlikely			Neither likely Nor Unlikely			Very Likely

Rating

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained. _____
2. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions. _____
3. I attempt to get my opponent fired from his/her position so that a new person will take his/her position. _____
4. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred. _____
5. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me. _____
6. I make an opening demand that is far greater than what I really hope to settle for. _____
7. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly. _____
8. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through. _____
9. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat. _____
10. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid. _____
11. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger. _____
12. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator. _____
13. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors." _____
14. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement. _____
15. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later. _____
16. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information). _____
17. I use lots of hints in my negotiation with my opponent. _____
18. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc. to make my message clear to my opponent. _____

PART - III

PERSONAL PROFILE

Age: ☐ 20-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years and above

Ethnic/Racial Background: _____ Caucasian _____ African-American
_____ Hispanic _____ Other(specify)_____

Sex: ☐ M ☐ F Nationality:_____ Occupation:_____

Resident of:_____ (Name of your State)

Level of Education: ☐ High School ☐ Bachelors ☐ Master or Above

Annual Household Income (Approximate):

☐ Below $ 40,000	☐ 40,000-49,999	☐ 50,000-59,999
☐ 60,000-69,999	☐ 70,000-79,999	☐ 80,000-89,999
☐ 90,000-100,000	☐ Over 100,000	

Type of organization:

☐ Manufacturing (please specify): _____
☐ Service (please specify): _____

How long have you been working?
☐ Less than 5 years ☐5-10 years ☐ 11-15 years ☐ 16-20 years ☐ Over 20 years

Negotiation Questionnaire (Set B)

This questionnaire is a part of a study on how negotiators decide when certain strategy and tactics are ethical and appropriate in international negotiations and about how much trust negotiators place on their opponents while they negotiate. This study is sponsored by the University of Texas-Pan American. You are requested to fill out the questionnaire and put it inside the stamped, self-addressed envelope and mail it. Your cooperation in conducting this research will be highly appreciated.

In completing this questionnaire, please try to be as candid as you can about what you think is appropriate and acceptable to do. You are being asked about tactics that are controversial. However, your response on this questionnaire are completely anonymous, and no one will ever know your individual responses.

PART - I

In this part, you are asked about your general feeling toward your counterpart while you are negotiating. In filling out this portion, please assume that you are negotiating for the **first time** with a businessperson of your sex from **Maldives** for something which is very important to your business. Maldives is a small island nation located in the Indian Ocean, south-west of India. You are given six general statements concerning your feeling toward your opponent negotiator. Please express your agreement/disagreement about these statements using the following scale:

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree Nor disagree			Strongly Agree

		Rating
1.	The opponent can be generally relied upon to honor the promises he/she makes in a negotiation.	_____
2.	I can count on my opponent negotiator to be sincere.	_____
3.	The opponent can be relied upon not to breach any term or condition of the contract.	_____
4.	I will have to be cautious in my dealings with my opponent negotiator.	_____
5.	I will be suspicious of my opponent's negotiator's actual intentions.	_____
6.	My opponent should not generally be relied upon about complete execution of the contract.	_____

PART - II

In this section, you are asked about some commonly used negotiation tactics that are often used in negotiation. Please assume that you are negotiating with a businessperson of your sex **from Maldives** for something which is very important to your business. Please assume that this is your **first** negotiation with this person. For each tactic, you will be asked to indicate how likely you are to use this tactic in a negotiation. Please assign a rating to the likelihood of use of each tactic, based on the following scale.

1	2	3	4	5	6	7
Very Unlikely			Neither likely Nor Unlikely			Very Likely

Rating

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained. _____
2. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions. _____
3. I attempt to get my opponent fired from his/her position so that a new person will take his/her position. _____
4. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred. _____
5. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me. _____
6. I make an opening demand that is far greater than what I really hope to settle for. _____
7. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly. _____
8. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through. _____
9. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat. _____
10. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid. _____
11. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger. _____
12. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator. _____
13. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors." _____
14. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement. _____
15. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later. _____
16. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information). _____
17. I use lots of hints in my negotiation with my opponent. _____
18. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc. to make my message clear to my opponent. _____

PART - III

PERSONAL PROFILE

Age: ☐☐ 20-30 years ☐ 31-40 years ☐ 41-50 years ☐ 51 years and above

Ethnic/Racial Background: _____ Caucasian _____ African-American
_____ Hispanic _____ Other(specify)_____

Sex: ☐ M ☐ F Nationality:_____ Occupation:_____

Resident of:_____ (Name of your State)

Level of Education completed: ☐ High School ☐ Bachelors ☐ Master or Above

Annual Household Income (Approximate):

☐ Below $ 40,000 ☐ 40,000-49,999 ☐ 50,000-59,999
☐ 60,000-69,999 ☐ 70,000-79,999 ☐ 80,000-89,999
☐ 90,000-100,000 ☐ Over 100,000

Type of organization:
☐ Manufacturing (please specify): _____
☐ Service (please specify): _____

How long have you been working?
☐ Less than 5 years ☐ 5-10 years ☐ 11-15 years ☐ 16 years-20 years ☐ Over 20 years

Do you know anyone from Maldives?

☐ Yes ☐ No

APPENDIX - 5

NAME OF THE TRANSLATORS

The following people helped in this research effort by translating and back-translating the survey instrument.

French Version

1. Jean Wicken (Provincial Govt., St. John, N.B., Canada)
2. Antonella Marcantoni (Freddy Beach, N.B. Canada)
3. Margaret Wicken (CEO, MN Consultants, Fredericton, N.B., Canada)
4. Lydia Forest (Profesora, French Language, UdeM, N.L., Mexico)

Spanish Version

1. Lic. Humberto Ayala (Profesor, UdeM, and CEO, Ayala & Associates, N.L., Mexico)
2. Luz Elena Barragan (UdeM, N.L., Mexico)
3. Ana Cristina Villanueva Eskauriatza (UdeM, N.L., Mexico)
4. Victor Davila (UTPA, Texas, USA)
5. Sergio Alonso (UTPA, Texas, USA)
6. Crystel Flota (UTPA, Texas, USA)
7. Yolanda Ruis (UTPA, Texas, USA)

APPENDIX 6-A

Cover Letter (English Version- used in the USA and in Canada)

February 1, 1999

Dear Business Professional:

Enclosed please find a questionnaire that is being conducted as a requirement for a Ph.D. dissertation on negotiation behavior of the people of Canada, Mexico, and the USA. This research project has been approved by the University of Texas-Pan American, Edinburg, Texas, USA.

As an international businessperson, you are in a unique position to contribute to our understanding of the negotiation behavior of the business people of the NAFTA countries. Your participation in this survey, therefore, is very important.

Your participation in this survey is completely voluntary. In filling out this questionnaire, please try to be as candid as possible. The instructions are stated in the questionnaire. Your responses on this questionnaire are absolutely anonymous and no one will ever know your individual response. Only summaries of responses will be prepared and released. I am confident that your participation will help us gain a better insight into the intricacies of negotiation behavior of business people.

I thank you for your cooperation in conducting this research. If you have any concern about this survey, you can contact me at (52)-8-159-7601 or at mnelahee@panam.edu.

Looking forward to hearing from you.

Thank you.

Sincerely,

Mohammad Elahee

APPENDIX 6-B

Cover Letter (French Version- used in Canada)

Le 1er Février 1999

Cher Monsieur,

Veuillez trouver ci-joint un questionnaire qu'il m'est nécessaire de faire remplir afin d'en inclure les résultats à ma thèse de Doctorat qui a pour sujet : L'attitude des Américains, des Mexicains et des Canadiens dans leurs pratiques commerciales. Ce projet de recherche a été approuvé par *l'Université de Texas-Pan American* située à Edinburg, aux Etats-Unis.

En tant qu'homme d'affaire international, vous occupez un poste clef qui permettra de contribuer à une meilleure compréhension du comportement, dans les pratiques commerciales, des hommes d'affaires des pays signataires du Traité de Libre Echange des pays d'Amérique du Nord (NAFTA). Par conséquent, votre participation à cette enquête est très importante.

Elle est entièrement bénévole. Lorsque vous allez remplir ce questionnaire, essayez d'être le plus franc possible. Vos réponses seront et resteront anonymes. Ne seront publiés que des statistiques tirées de l'analyse globale des questionnaires. Je suis persuadé que votre participation aidera à avoir une meilleure perception et compréhension de la complexité des pratiques dans les négociations commerciales.

Je vous remercie de votre coopération dans la conduite de mes recherches. Si vous avez certains doutes ou remarques concernant cette enquête, vous pouvez me contacter au (52)-8-159-7601 ou sur e-mail : *mnelahee@hotmail.com.*

Dans l'attente de votre réponse et vous remerciant par avance, je vous prie d'agréer, monsieur, l'expression de mes sentiments distingués.

Mohammad Elahee

APPENDIX 6-C

Cover Letter (Spanish Version- used in Mexico)

Monterrey, N.L., a 8 de febrero de 1999

Estimado Profesional de Negocios:

Adjunto a la presente encontrará un cuestionario. El mismo es parte de los requisitos necesarios para la obtención de mi grado Doctoral en la Universidad de Texas Panamerican, USA. El tema versa sobre el comportamiento en los negocios de la gente de Canadá, México, y USA.

Como una persona dedicada a los negocios, usted está en una posición única que puede contribuir a nuestra comprensión del comportamiento en los negocios de la gente de México. Su participación en esta encuesta, por lo tanto, es muy importante.

Su contribución en esta encuesta es completamente voluntaria. Cuando llene este cuestionario, por favor hágalo con franqueza. Las instrucciones para el cuestionario están incluidas. Las respuestas son absolutamente anónimas y confidenciales.

Agradezco a usted su cooperación en esta investigación. Si usted tiene interés sobre el resultado de esta encuesta, puede llamar al teléfono (52)- 8-159- 7601 o en el correo electrónico (e-mail) mnelahee@hotmail.com.

Agradeciendo de antemano sus atenciones e interés, quedo en espera de su amable respuesta.

Atentamente,

Mohammad Elahee

Appendix - 7

CRONBACH ALPHA OF DIFFERENT CONSTRUCTS - PRE-TESTS

Trust : .7344 (USA); .7211 (Mexico)

1. The opponent can be generally relied upon to honor the promises he/she makes in a negotiation.
2. I can count on my opponent negotiator to be sincere.
3. The opponent can be relied upon not to breach any term or condition of the contract.

Traditional Competitive Bargaining: .7830(USA); .7732 (Mexico)

1. I make an opening demand that is far greater than what I really hope to settle for.
2. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.
3. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.

False Promises: .8013(USA); .7614 (Mexico)

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.
2. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.
3. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.

Attacking Opponent's Network: .8316 (USA); .7814 (Mexico)

1. I attempt to get my opponent fired from his/her position so that a new person will take his/her position.
2. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.
3. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.

Misrepresntations: .8711(USA); .8277(Mexico)

1. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.

2. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.

3. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.

4. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.

Inappropriate Information Gathering: .7925(USA); .7675(Mexico)

1. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.

2. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."

3. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information).

Tacit Bargaining: .8469(USA); .7344(Mexico)

1. I use lots of hints in my negotiation with my opponent.

2. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc.) to make my message clear to my opponent.

Appendix - 8

CRONBACH ALPHA OF DIFFERENT CONSTRUCTS - MAIN STUDY

Trust : .8261

1. The opponent can be generally relied upon to honor the promises he/she makes in a negotiation.
2. I can count on my opponent negotiator to be sincere.
3. The opponent can be relied upon not to breach any term or condition of the contract.

Traditional Competitive Bargaining: .8567

1. I make an opening demand that is far greater than what I really hope to settle for.
2. I convey a false impression that I am absolutely in no hurry to come to a negotiated settlement, thereby trying to put time pressure on my opponent to concede quickly.
3. I make an opening demand so high/low that it seriously undermines my opponent's confidence in his/her ability to negotiate a satisfactory settlement.

False Promises: .8257

1. I promise that good things will happen to my opponent if he/she gives me what I want, even if I know that I can't (or won't) deliver these things when the other's cooperation is obtained.
2. In return for concessions from my opponent now, I offer to make future concessions which I know I will not follow through.
3. I guarantee that my constituency will uphold the settlement reached, although I know that they will likely violate the agreement later.

Attacking Opponent's Network: .8595

1. I attempt to get my opponent fired from his/her position so that a new person will take his/her position.
2. I threaten to make my opponent look weak or foolish in front of a boss or others to whom he/she is accountable, even if I know that I won't actually carry out the threat.
3. I talk directly to the people who my opponent reports to, or is accountable to, and tell them things that will undermine their confidence in my opponent as a negotiator.

Misrepresntations: .899

1. I intentionally misrepresent information to my opponent to strengthen my negotiating arguments or positions.

2. I intentionally misrepresent the nature of negotiations to my constituency in order to protect delicate discussion that have occurred.

3. I deny the validity of information which my opponent has that weakens my negotiating position, even though that information is true and valid.

4. I intentionally misrepresent the progress of negotiation to my constituency in order to make my position appear stronger.

Inappropriate Information Gathering: .8532

1. I gain information about an opponent's negotiating position by paying his friends, associates, and contacts to get this information to me.

2. I gain information about an opponent's negotiating position by cultivating his/her friendship through expensive gifts, entertaining, or "personal favors."

3. I try to gain information about an opponent's negotiating position by trying to recruit/hire one of his/her teammates (on the condition that he/she brings confidential information).

Tacit Bargaining: .7732

1. I use lots of hints in my negotiation with my opponent.

2. I use a lot of non-verbal language (such as gesture, posture, facial expression, voice (intonations etc.) to make my message clear to my opponent.

APPENDIX - 9

Deleted Item from the Questionnaire (After pre-tests)

English Version

If I am not satisfied with the negotiation process, I display my dissatisfaction by not attending the scheduled negotiating session.

French Version

Je ne suis pas satisfait avec le processus de la (les) négociation(s). J'assitera pas a les sessions de negociation qui sont schedulees pour demontrer mon dissastifaction.

SpanishVersion

Si no estoy satisfecho con el proceso de negociación, muestro mi insatisfacción faltando a la(s) reunión(es) de negociación programada(s).

APPENDIX - 10

NON-RESPONSE ANALYSIS

(Comparison of means of Trust and six negotiation tactics between first wave and second wave of responses)

MANOVA (Canadian Respondents - Intra-cultural)
A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior between First Wave and Second Wave of Responses

Tactics	Ist Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	2.89	1.60	2.74	1.49	.16343	.688
AON	1.2	.4369	1.02	.3682	1.675	.200
FP	1.32	.45	1.21	.52	.765	.385
MRN	1.58	.62	1.48	.61	.1.115	.516
IIG	1.23	.72	1.49	.56	.116	.734
TB	4.14	1.121	3.51	1.57	1.179	.156

MANOVA (Canadian Respondents - Cross-cultural)
A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior between Ist Wave and 2nd Wave of Responses

Tactics	Ist Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	2.76	1.45	2.33	1.19	.196	.612
AON	1.33	.4369	1.67	.396	1.845	.222
FP	1.33	.56	1.58	.52	.645	.586
MRN	2.23	.71	1.48	.61	.115	.864
IIG	2.23	.72	2.67	.56	.176	.585
TB	3.67	1.121	3.13	1.57	1.34	.186

MANOVA (Mexican Respondents - Intra-cultural)

A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior in First Wave and Second Wave of Responses

Tactics	1st Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	3.97	1.52	3.84	1.45	1.42	.707
AON	1.76	1.49	1.666	1.47	.023	.879
FP	2.05	1.44	2.01	1.84	.027	.871
MRN	1.96	1.51	1.84	1.45	.045	.632
IIG	2.27	1.27	2.38	1.23	.047	.829
TB	4.07	1.26	3.98	1.26	.215	.644

MANOVA (Mexican Respondents - Cross-cultural)

A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior between First Wave and Second Wave of Responses

Tactics	Ist Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	5.31	1.49	5.67	1.46	1.48	.687
AON	3.53	1.48	3.78	1.51	.021	.864
FP	3.75	1.44	3.38	1.44	.028	.876
MRN	4.10	1.60	4.32	1.55	.054	.689
IIG	4.67	1.91	4.98	1.77	.053	.6824
TB	5.77	1.26	5.49	1.26	.256	.698

MANOVA (US Respondents - Intra-cultural)

A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior between First Wave and Second Wave of Responses

Tactics	Ist Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	3.31	1.46	3.27	1.48	1.17	.301
AON	1.58	.71	1.67	.69	.094	.775
FP	1.68	.89	1.69	.59	.318	.537
MRN	1.74	.77	1.86	.78	.178	.651
IIG	1.86	1.07	1.96	.84	1.988	.163
TB	3.85	1.09	3.71	1.48	.024	.913

MANOVA (US Respondents - Cross-cultural)

A Comparison of Trust and Likelihood Ratings of Questionable Negotiation Behavior in First Wave and Second wave of Responses

Tactics	1st Wave Mean	S.D.	2nd Wave Mean	S.D.	F	Sig.
TCB	3.21	1.36	3.38	1.38	1.04	.311
AON	1.64	.75	1.63	.67	.090	.765
FP	1.72	.90	1.64	.59	.321	.573
MRN	1.96	.97	1.86	.78	.189	.665
IIG	2.06	1.07	1.74	.74	1.93	.163
TB	3.75	1.29	3.91	1.58	.017	.906

TCB: Traditional Competitive Bargaining
AON: Attacking Opponent's Network
FP: False Promises
MRN: Misrepresentation
IIG: Inappropriate Information Gathering
TB: Tacit Bargaining

Vita

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Refereed Journal Publications

"Coverage of Latin American Business and Management Issues in Cross-Cultural Research: An Analysis of JIBS and MIR 1987-1997," *International Journal of Organization Theory and Behavior*, (with Sameer Vaidya) Special Issue, 1999 (forthcoming).

"The Role of Foreign Direct Investment in the Economic Growth in Latin America and East Asian Countries," *Journal of Emerging Markets*, (with Jose Pagan) Spring,1999.

"Corporate Turnaround: Dilemma for Developing Countries," *Business and the Contemporary World*, (with W. Nasierowski) Vol. VII, No. 3.
and Quality of Learning Committee, UdeM, Mexico