

CROSS-CULTURAL NEGOTIATIONS AND CULTURAL INTELLIGENCE

Cultural Intelligence

Jase R. Ramsey, Amine Abi Aad, Chuandi Jiang, Livia Barakat, Virginia Drummond, (2016) "Emergence of cultural intelligence and global mindset capital: a multilevel model", Multinational Business Review

- A person's capability to adapt effectively to new cultural contexts (Tomas and Inkson 2003).
- The ability to interpret someone's unfamiliar and ambiguous gestures like a colleague or compatriot of the person would, even to mirror them (Earley & Mosakowski, 2004).
- The ability to succeed when adjusting to a new culture (Brislin, Worthley & MacNab, 2006).
- Individuals high in CQ can better detect, assimilate, reason and act appropriately in situations characterized by cultural diversity

Metacognitive facet

- Individual's knowledge about cultures and cultural differences
- Thinking about thinking
- Research suggests that it is innate and cannot be learned

Cognitive facet

- Individual's knowledge about cultures and cultural differences
- Skills in acquiring new cultural knowledge
- Cognitive flexibility: incorporating new perspectives and understandings into one's mindset, including modifying stereotypes
- Easiest to learn

Motivational facet

- Intensity and direction of cognitions. Has two underlying constructs: self-efficacy and conscientiousness. The drive to actualize one's CQ.
- **Self-efficacy:** a person's belief in one's ability to succeed. Individuals are confident.
- **Conscientiousness:** desire to continually achieve goals regardless of uncertainty, setbacks, challenges, misunderstandings and failures that result when interacting with novel cultural environments.

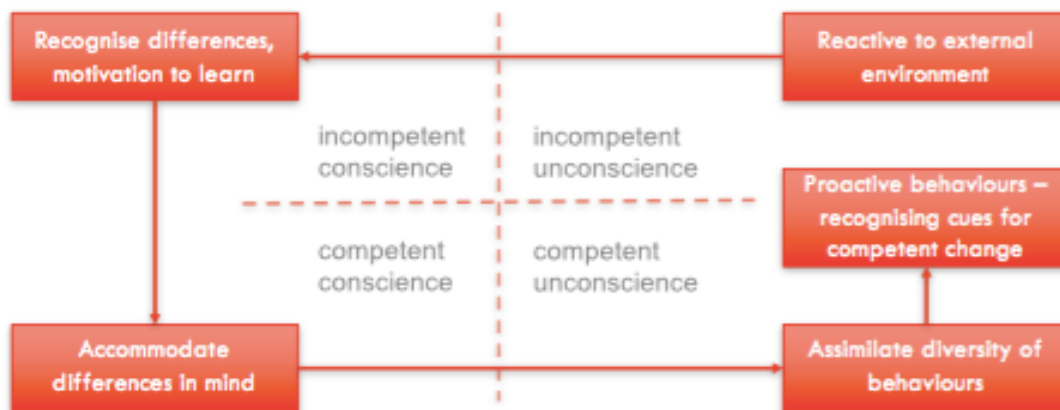
Behavioural facet

- Ability to relevantly and appropriately act, verbally and non-verbally, to contextual situations.
- Having the skills necessary to adapt to the current intercultural situation. To succeed one must rapidly adapt by acquiring or mimicking the appropriate behaviours until one gets incorporated into those cultures

without hesitation.

- **Behavioural flexibility:** adapting behaviours to different contexts.
- **Behavioural variety:** competence in a repertoire and culturally-appropriate behaviours
- **Self-preservation awareness:** being aware of one's own behaviour and its influences

Learning Process of CQ



1. Examine strengths and weaknesses
2. Select training for weaknesses
3. Apply training
4. Organise personal resources to support the approach
5. Enter cultural setting to master
6. Re-evaluate newly developed skills

Global Mindset

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- A way of approaching the world and a tendency to scan from a broader perspective. This pushes people to find unexpected trends and opportunities.
- Combination of awareness and openness to the diversity of cultures and markets with an inclination and capability to integrate across the diversity.
- **Javidan and Teagarden (2011, p. 14)** define GM as “an individual’s ability to influence individuals, groups, organizations and systems that are unlike him or her or his or her own”. The authors state that GM is made up of three components:
 - intellectual capital;
 - social capital; and
 - psychological capital.

Intellectual capital

Intellectual capital consists of a leader's knowledge and cognitive capabilities (e.g. knowledge and ability) regarding different cultural contexts. It comprises attributes such as global business savvy, cosmopolitan outlook and cognitive complexity.

Social capital

Social capital focuses on internal and external relationships; including a leader's intercultural empathy, interpersonal impact and diplomacy (e.g. ability and skill).

Psychological capital

Psychological capital refers to a positive psychological profile and personality traits (e.g. ability), such as a passion for diversity, quest for adventure and self-assuredness. These components encompass knowledge, skills and abilities.

Cross-cultural negotiations

Negotiation is a process whereby two or more parties with different interests aim to reach a mutually acceptable agreement through (a) communication and (b) through persuasion/influence.

Stages of negotiating

Stage	Low-context	High-context
Relationship Building	<ul style="list-style-type: none">• Briefly exchange social niceties• Will get to the point• Not overly concerned with status of other group	<ul style="list-style-type: none">• Want to know all about you & your company• Long presentations, meetings to get to know you• Careful attention to age, rank, status
Information exchange	<ul style="list-style-type: none">• Fairly brief stage• Young, ambitious, likely to do well	<ul style="list-style-type: none">• Among longer stages• Older, higher-status team member has adv.
Persuasion	<ul style="list-style-type: none">• Argumentative• "get to the point" negotiating style• Cost-benefit approach• Face saving not v. important	<ul style="list-style-type: none">• Declarative• The least important stage• Face saving VERY important
Concessions and Agreement	<ul style="list-style-type: none">• Written contract• Profit motive determines agreement	<ul style="list-style-type: none">• Less emphasis on long contracts• Deal is sealed with contextual variables