



ISSN 2278 – 0211 (Online)

An Examination of Cross-Cultural Behaviors in Business Negotiations within Selected Public Institutions in Ghana

Mavis Ekuia Enyamah Kwainoe

Lecturer, Department of Law, University of Professional Studies, Accra, Ghana

Abstract:

A lot of business negotiations cut across frontiers. Those involved in these negotiations come from varied cultural backgrounds. This research examines how negotiators from selected public institutions in Ghana undertake these negotiations for and on behalf of Ghana. I have selected the following for this research work: The Ministry of Justice and Attorney- General's Department which is the Chief Legal Advisor to the Government. This institution has handled a lot of legal negotiations and advice for and on behalf of Ghana.

The Ministry of Trade and Industry is primarily involved trade negotiations between the country and other establishments. Lastly, the Ministry of Transport is concerned with the overall transport business of the country. It is not in doubt that these ministries are engaged in a lot of cross frontier negotiations

In business negotiations, cultural behaviors play a crucial role. Culture affects every aspect of our lives, especially in our day to day relationship with other people around us. Almost all individuals including Ghanaians have a sense of pride in their culture which is translated in their values, attitudes and perspective in life. The transformative character of culture could be applied during negotiations to resolve existing disputes.

This paper will examine the outcome of cultural differences that are brought to bear on business negotiation.

Keywords: *cross-cultural negotiations, public institution, culture, negotiation*

1. Introduction

A lot of research work has been done with respect to the role culture plays in international business negotiations. Research has shown that western negotiators conduct it to obtain the best outcomes for their organizations (Blackman 1997, Chen, 1996; Eiteman 1990) Knowing the other side of the negotiator is key. It therefore calls for personal contacts as part of the negotiating procedures. This paper will examine what negotiators in Ghana are to expect before they arrive at the negotiating table. This is because some issues are culturally sensitive to the various divide. There may be national pride or nationalistic tendencies that may crop up and how to deal with such. With patience, demands could be made to change or modify whatever proposals that might have been couched.

Culture is generally said to be the way of life of a group of people. Cultural differences have significant influence in business negotiations in unexpected ways (Sebenius, 2002). The style of negotiating at the domestic level tend to differ internationally since the personalities involved are mostly from different cultural backgrounds and understanding. The negotiator must use special skills to understand the concerns and needs of the others in order to gain.

Globalization and international business opportunities have increased the challenges associated with negotiation of contracts. A critical example of such challenges is seen in the differences in the culture of the negotiating parties (King & Segain, 2007). According to Singh (2009), face-to-face negotiations are crucial aspects of inter-organizational relationships like joint ventures, mergers and acquisitions, licensing and distribution agreements, and sales of products and services. As the proportion of foreign to domestic trade increases, so also is the frequency of business negotiations between people from different countries and cultures. To successfully manage these negotiations, one needs to know how to influence and communicate with members of other cultures other than their own.

The differences in cross-cultural values and behaviors may result in additional conflicts in negotiations beyond the obvious substantive conflicts that may exist amongst negotiating parties. Studies have shown that during negotiations, prospective partners may exhibit behaviors that may be strange, and sometimes insulting or offending to other parties (Sebenius, 2002). Whiles it is tempting and easy to interpret such behaviors within the scope of one's own culture, doing so can create a high degree of friction and frustration thereby jeopardizing the substantive negotiations and may result in the non-attainment of the expected results (Adler, 1989).

Herbig, (1992), states that the whole world may be culturally classified into large groups, with each group having its own unique traditions, experiences, traits and values. Without the consideration of each of these groups per their cultural differences, effective negotiations may not be achieved. In other words, failing to understand that negotiation is a

people first business or neglecting people's background, emotions, values and thoughts may lead to disaster (King & Segain, 2007).

Indeed, negotiation becomes complex when the negotiating parties find themselves negotiating across divergent cultures. Culture as explained by Salacuse (1993) is a powerful factor in shaping how people think, communicate and behave hence it has an enormous effect on how they negotiate.

This study seeks to investigate the effect of culture on cross-border negotiations.

1.1. Statement of the Problem

Most Public Institutions contract with various entities and individuals with different cultural behaviors both locally and internationally on daily basis. Culture profoundly influences how people think, communicate, and behave. It also affects the kinds of transactions they make and the way they negotiate them. Differences in culture between business executives, for example, between an American public sector plant manager in Minnesota and a Japan division head of a family company in Tokyo can create barriers that obstruct or completely end a negotiating process. The great diversity of culture worldwide makes it impossible for any negotiator, no matter how skilled and experienced, to understand fully all the challenges that may be encountered. How then should business executives prepare to cope with culture in negotiating cross-border deals or contracts? What are the challenges these negotiators may face in cross-cultural negotiations? These questions are what I will attempt to explore in this study.

1.2. Objectives of the Study

The objectives of the study include;

- To identify the degree of awareness of cultural implications on cross-border negotiations.
- To examine how culture can affect cross-border negotiations.
- To suggest remedies for mitigating the challenges of culture on cross border contracts.

1.3. Significance of the Study

The study would add to existing knowledge on the subject for academic purposes as well as enrich the knowledge of negotiators in diverse business institutions for industry growth.

1.4. Scope of the Study

The study focuses on three public institution in Ghana. They are; Ministry of Justice and Attorney- General's Department, Ministry of Trade and Industry and the Ministry of Transport. Based on the nature of the responsibilities of these public institutions, they regularly engage in all forms of negotiations and signing of contracts both locally and internationally for and on behalf of Ghana.

The researcher was unable to connect any foreign multinational investors in the country due to limited time constraints as well as bureaucratic and administrative challenges. However, respondents from the three selected public institutions who had entered into cross-border negotiations with foreigners were available to assist.

1.5. Definition of Terms

1.5.1. Negotiation

This is a consensual bargaining process for settling disputes by the parties themselves without the assistance of a third party neutral. They act in good faith and it involve dealings conducted between two or more parties for the purposes of reaching an amicable understanding.

Faure and Gunnar (1993) adds additional perspective in his definition: "...negotiation is a joint decision-making process through which negotiating parties accommodate their conflicting interests into a mutually acceptable settlement". Faure's definition adds the perspective that it is not just the agreement that is mutually acceptable (joint), but that the characteristics of the negotiation process itself is a joint endeavor. The implication being that all parties must be in agreement as to the nature and process of the proceedings for a successful outcome.

Dasgupta (2005) defines negotiation as "the process of communicating back and forth for the purpose of reaching a joint agreement about differing needs or ideas" and that it has more to do with the use of persuasion rather than power to resolve an issue. Although this is a fairly succinct definition and a good starting point for capturing the basic essence of what a negotiation is, i.e. a communicating process with the intended outcome of reaching a joint agreement, it does not necessarily cover a large part of its salient characteristics (Horst, 2007).

1.5.2. Culture

This is self-governing and a governance that has come because of the varied interlocking of ideals, decision making that matter to a set of people. When one removes the culture of the people from governance, the citizenry will not act in consonance with the basic tenets of governance. It is thus a shared pattern of behaviors, beliefs, attitudes, customs, etiquettes, traditions, and interactions amongst a group of individuals, society or generations.

1.5.3. Public Institution

These include any entity established by the government as part of the economy to provide various governmental services for the public good.

1.5.4. Cross-Cultural Negotiations

According to Steven Tolliver, it depicts a situation where individuals get an opportunity to win something by employing creative means to solve a problem(s). They collaborate since they tend to understand the concerns and interests of each other. However, problems can be created where simple situations are turned into more complex ones. Individual negotiation styles may differ and can dominate the bargaining process, competitive negotiators often neglect the importance of relationships.

1.6. Organization of the Study

The study is organized into five chapters. Chapter one introduces the abstract, study of the background, statement of problem, objectives of the study, significance, scope and limitation of the study, definition of terms and organization of the study. Chapter two includes the review of related literature. Chapter three discusses the methodology of the research of the study. This involves the type of research, sampling and sampling techniques, sources of data collection, type of data, instrument for data collection, and data analysis. Chapter four looks at presenting the results of the analysis. Chapter five deals with the summary, conclusion and recommendations.

2. Literature Review

2.1. Defining Culture

Culture is a product that reveals itself in social behaviors like beliefs, ideas, language, customs and rules (Faure & Gunnar, 1993). Faure & Gunnar attempt to capture the specific concept of culture by defining it as "a set of shared and enduring meanings, values, and beliefs that characterize national, ethnic, or other groups and orient their behavior" (Faure & Gunnar, 1993). Cohen expanded on the understanding of culture by addressing three key aspects: it is societal and not an individualistic quality, it is acquired and not genetic, and that its attributes cover the entire array of social life (Cohen, 1997).

Culture being societal means that it is the society to which the individual associates that will dictate the norms; not the individual. Cohen uses the example of the "blood feud" within a clan-based society. He states that regardless of the individual's personal feelings toward retribution, even in the extreme form, he or she is bound to the actions of the clan (Cohen 1997) so long as the individual decides to remain part of the clan.

Culture is acquired and not a genetic attribute that develops the cultural norms within the individual members. These methods are both formal and informal. The formal methods include education, role models, propaganda and the culture's system for rewards and punishments (Cohen, 1997). The informal methods are comprised of how members assimilate influences framed by their environment; for example, family life and social encounters at both work and play. In Cohen's further discussion on culture, he indicated that it is not just about the artifacts that members surround themselves with, but that there are intellectual and organizational dimensions as well. The artifacts are the most visible aspects of a group's culture. But a culture's identity is also rooted in "intangibles" that include etiquette conventions, the manner in which interpersonal relationships are conducted, and how a member's life and actions should be conducted (Cohen, 1997).

2.2. Dimensions of Culture

According to Hooper, Pesantz and Syed (2005), culture is the most important variable affecting international negotiations. Values and norms that are encompassed by culture can affect negotiations (International Negotiating, 2005). Cultural values establish what members perceive as important, while cultural norms outline what is considered proper and improper behavior. Together, cultural values and norms influence how one perceives situations and how one reacts to the behavior of others. The cultural values of individualism versus collectivism, egalitarianism versus hierarchy and direct vs. indirect communications are relevant to norms and negotiation strategies. There is generally no single accepted definition of culture (Weis 2004). Research works however suggest it consists of three major characteristics:

- Culture is not innate but learned
- The various facets of culture are interrelated and
- Culture is shared and in effect defines the boundaries of different groups (Hull, 1981; Triandis 1994)

According to Priyan Khakhar/ Hussain Gulzar (2013), at its core culture is a shared and endured meanings, values and beliefs that are interrelated and characterize the behavior of national, ethnic or other groups. Culture is therefore acquired through acculturation by the individual from the society (Hofstede, 1994, 2001; Hofstede & Minkar 2010)

2.2.1. Individualism vs. Collectivism

Individualism vs. collectivism is a continuum that suggests the degree to which different societies regard the individual as independent or as dependent in relation to their social groups (Stevens & Greer, 1995). In individualistic cultures, norms/customs and institutions champion the self-sufficiency of the individual. There are protections for individual rights and individual accomplishments are rewarded through economic and social channels. Workers from the United States, Australia, and Great Britain are individualistic because they value "time for personal life, challenging work, feelings of accomplishment, and individual recognition for a job well done" (Drake, 2001). The things that individuals from these countries value tend to breed competitive attitudes along with the need and appreciation for competition. In collective cultures norms/customs and institutions advocate the mutual dependence of individuals. Their characters are the result of in-group associations to family members and workmates. Personal needs are not as important as the needs of the in-group and legal institutions stress the greater good of the whole as superior to the rights of individuals (Drake,

2001). Individual sacrifices for the group are rewarded and groups are rewarded through economic and social channels (Brett, 2000: 99). Collectivistic societies encourage teamwork and harmony along with an integration of needs to strengthen and preserve relationships (Drake, 2001). People from collectivistic societies prefer to work in groups as opposed to by themselves (International Negotiating, 2005).

Individualism vs. collectivism is said to indicate a culture's core preferences and priorities concerning goals (Erez & Early, 2001). This is important for negotiators because goals direct behavior and goals are also basic motivators. For collectivists, it is important to seek win-win outcomes whereas individualists tend to treat all negotiations as win-lose (International negotiating, 2005). This is because individualist, out of self-interest, strive for higher personal goals and therefore tend to decline less-suitable agreements in hopes of attaining more suitable ones (Brett, 2000; Erez & Early, 2001). Individualistic negotiators, when compared to collectivistic negotiators, tend to make more extreme offers and spend more time planning short-term goals.

2.2.2. Egalitarian vs. Hierarchy

Hierarchy versus egalitarianism is a cultural value that suggests how power is identified in a culture (Brett & Okumura, 1998). Egalitarianism versus hierarchy can also be thought of as a continuum that communicates the degree to which a culture's social structure is flat or the degree to which it is categorized into ranks (Brett, 2000). Social structures within hierarchical cultures attribute social status to social power (Erez & Early, 2001). In hierarchy cultures, from Asia to Africa or the Middle East, respect is demanded by those in senior positions (International negotiating, 2005). Those higher up on the social ladder are given authority and advantage, whereas those lower on the social scale are duty-bound to submit to social superiors and abide by their request (Erez & Early, 2001). However, these high-status members in a hierarchy culture are obligated to look out for the needs of the lower status members. In addition, members of hierarchical society expect to deal with their peers and it is important to "match eagles with eagles" (International negotiating, 2005). Cultures that are more egalitarian do not have the same obligations to their lower status members that high-status members of more hierarchical focused cultures do. This is because, even though there are social status distinctions, the social boundaries of the egalitarian society are fluctuating, making one's superior status subject to change (Brett, 2000).

2.2.3. High vs. Low-Context Communication

High versus low-context communication refers to the amount of direct or indirect communication a specific culture uses for its internal dialogue. In high-context cultures, a large part of the message is conveyed in the context or background of the dialogue, while little information is actually being said. The speaker relies on the receiver to have certain pre-existing knowledge about the topic, as the gist of the communication is inferred as opposed to being directly decipherable. On the other hand, in low-context cultures, information is explicitly transmitted through clear and precise messages (Erez & Early, 2001).

High versus low-context communication directly affects the way in which negotiators bargain. The amount and quality of information each party has when entering a negotiation essentially determines the extent to which a negotiation can be integrative (Brett, 2000).

2.3. Negotiation

2.3.1. Defining Negotiation

Negotiation has been defined as any form of direct or indirect communication, whereby parties who have opposing interests discuss the form of any joint action which they might take to manage and ultimately resolve the dispute between them.

Negotiation comes to play when two parties have different preferences in a single decision that will affect them. This provides an avenue for the parties to present ideas to each other as well as provide an often cheaper and faster alternative to resolve their conflicts

2.4. Characteristics of Negotiation

- **Voluntary:** No party is forced to participate in a negotiation. The parties are free to accept or reject the outcome of negotiations and can withdraw at any point during the process. Parties may participate directly in the negotiations or they may choose to be represented by someone else, such as a family member, friend, a lawyer or other professional.
 - **Bilateral/Multilateral:** Negotiations can involve two, three or dozens of parties. They can range from two individuals seeking to agree on the sale of a house to negotiations involving diplomats from dozens of States (e.g., World Trade Organization (WTO)).
 - **Non-adjudicative:** Negotiation involves only the parties. The outcome of a negotiation is reached by the parties together without recourse to a third-party neutral.
 - **Informal:** There are no prescribed rules in negotiation. The parties are free to adopt whatever rules they choose, if any. Generally, they will agree on issues such as the subject confidentiality, the number of negotiating sessions the parties commit to, and which documents may be used, can also be addressed.
 - **Confidential:** The parties have the option of negotiating publicly or privately.
 - **Flexible:** The scope of a negotiation depends on the choice of the parties. The parties can determine not only the topic or the topics that will be the subject of the negotiations, but also whether they will adopt a positional-based bargaining approach or an interest-based approach.

2.5. Advantages of Negotiation

- Negotiation is probably the most flexible form of dispute resolution because it involves only the parties involved. The parties are able to shape the negotiation according to their own means, this is to avoid inequalities that at the end of the day both parties willingly consent to a consensus.
- It creates a win-win situation when it is solely dependent on the interest-based approach rather than position-based approach.
- Again, negotiation is a voluntary based approach, no one is forced to participate if not interested.
- There is no cause for a third party neutral. This is very desirable where both parties do not want to involve other parties especially in highly sensitive in nature.
- Negotiation is less expensive and reduces delays. This is because third parties are not involved and there are no long procedures involved.
- Assuming that the parties are negotiating in good faith, negotiation will provide the parties with the opportunity to design an agreement which reflects their interests.
- Negotiations may preserve and, in some cases, even enhance the relationship between the parties once an agreement has been reached between them.
- Opting for negotiation instead of litigation may be less expensive for the parties and may reduce delays.

2.6. Disadvantages of Negotiation

- A particular negotiation may have a successful outcome. However, parties may be of unequal bargaining power and the weaker party may be placed at a disadvantaged end.
- A successful negotiation requires each party to have a clear understanding of its negotiating mandate. If uncertainty exists regarding the limits of a party's negotiating authority, the party will not be able to participate effectively in the bargaining process.
- The absence of a neutral third party can result in parties being unable to reach agreement as they be may be incapable of defining the issues at stake, let alone making any progress towards a solution.
- No party can be compelled to continue negotiating. Anyone who chooses to terminate negotiations may do so at any time in the process, notwithstanding the time, effort and money that may have been invested by the other party.
- Some issues or questions are simply not amenable to negotiation. There will be virtually no chance of an agreement where the parties are divided by opposing ideologies or beliefs which leave little or no room for mutual concessions and there is no willingness to make any such concessions.
- The negotiation process cannot guarantee the good faith or trustworthiness of any of the parties.
- Negotiation may be used as a stalling tactic to prevent another party from asserting its rights (e.g., through litigation or arbitration).

2.6.1. Forms of Negotiation: Distributive and Integrative

The result of a transactional or conflict resolution negotiation may be a purely distributive agreement or an integrative agreement, or an impasse" (Brett, 2000).

Distributive agreements are the result of a distributive negotiating situation where negotiators divide a fixed set of resources and the negotiation usually turns into a competitive rivalry (Lewicki, Saunders, Barry & Minton, 2004). This splitting up of the resources can be equal or unequal (Brett, 2000). Distributive bargaining can be beneficial when the other party is insignificant and the negotiator wants to maximize the value of a single deal (Lewicki et al., 2004).

Integrative agreements are the result of integrative negotiation situations which involve "expanding the pie" or bringing new issues to the negotiation in order to enhance a set of resources (Brett, 2000: 98; Lewicki et al., 2004). By expanding the resources negotiators can create integrative two situations.

Because most negotiation present opportunities to expand a set of resources, by bringing additional issues into the bargaining mix or by dividing a lone issue into several parts, few negotiations are strictly win/lose situations (Brett, 2000).

In this type of bargaining the parties concentrate on what they have in common rather than their discrepancies, information and ideas are exchanged more openly, and the parties focus more on their issues and interests rather than their positions (Lewicki et al., 2004).

When an issue is very important to one party but not valued highly by the other party, there is the possibility of a trade-off on that particular issue. There is also the possibility of discovering issues that are valuable and beneficial to both parties, thereby increasing the chances for mutual gain (Brett, 2000).

2.6.2. Steps in the Negotiation Process

Generally, there are five (5) steps in the negotiation process and these are outlined below

2.6.2.1. Preparation and Planning

Before the start of negotiations, one must be aware of the conflict, the history leading to the negotiation, the people involved and their expectations from the negotiations etc.

2.6.2.2. Definition of Ground Rules

Once the planning and strategy is developed, one must define the ground rules and procedures with the other party over the negotiation. Where will it take place? the time limit, if any to be applied. The issues to be identified and agreed upon. Specific procedures to be followed, etc.

2.6.2.3. Clarification and Justification

When initial positions have been exchanged both the parties will explain, amplify, clarify, bolster and justify their original demands. This need not be confrontational. Rather it is an opportunity for educating and informing each other on the issues why they are important and how each was arrived at. This is where one party might want to provide the other party with a documentation that helps support its position.

2.6.2.4. Bargaining and Problem Solving

The essence of the negotiation process is the actual give and take in trying to hash out an agreement, a proper bargain. It is where concessions will undoubtedly need to be made by both parties.

2.6.2.5. Closure and Implementation

The final step in the negotiation process is formalization of the agreement that has been reached, developed and the procedures that are necessary for implementation and monitoring. For major negotiations, this will require hammering out the specifics in a formal contract.

2.7. Culturally Responsive Negotiation Strategies

According to Singh (2009), while there has been considerable scholarship on international and cross-cultural negotiation, scant attention has been devoted to giving prescriptive advice to those facing the challenge of international negotiation. Two contributions stand out as universally practical and particularly effective.

Initially, many negotiation scholars advised the practitioners to follow the approach attributed to Saint Augustine: "When in Rome, do as the Romans do." (Francis, 1991). Currently, there is a widespread consensus that this advice is oversimplified and therefore rather impractical.

Ideally, international and cross-cultural negotiators should:

- Anticipate the differences in strategy and tactics that may cause misunderstandings. It has been established that a negotiator's culture affects his/her negotiating behavior and style. Anticipating these differences is a source of advantage in international negotiations. Awareness of cultural differences reduces the negative attributions about the negotiation partner and helps view the difference as an inherent part of international negotiation process.
- Analyze cultural differences to identify differences in priorities that create value. Differences add value to negotiation rather than similarities. A high level of cultural differences in international negotiations implies greater potential for integrative agreements.
- Recognize that the other party may not share your view of what constitutes power. Power or the ability to influence other people's decisions, is highly subjective and therefore context dependent. International negotiators should be aware that the other party's estimate of power is based on completely different factors that may even seem unimportant. Engaging in a power contest may reduce the probability of an integrative agreement.
- Avoid attribution errors. Attribution error occurs when people assume that a person's behavior is influenced more by what "kind" of person he is, rather than on the social and environmental forces that influence that person. Culturally sensitive negotiators should view their partners' behavior within the prism of cultural and situational norms and not attribute it to their underlying personality.
- Find out how to show respect in the other culture. It is very important to show respect for the other party before starting the negotiation. However, it is wrong to assume that display of respect is the same way in each country.

3. Methodology

3.1. Research Design

The study is descriptive. However, a cross-sectional design was employed which according to Boateng (2014), the researcher collects information from a sample drawn from a population. The data the researcher obtains is derived from a cross-section of the population at one point in time. The researcher adopts a quantitative approach to the study.

3.2. Population

The target population included all Government of Ghana Ministries, Metropolitan, Municipal and Districts Assemblies (MMMDA's) which have in one way or the other entered into a cross-border negotiation. However, the focus was on Ministry of Justice and Attorney- General's Department, Ministry of Trade and Industry and the Ministry of Transport.

3.3. Sampling and Sampling Technique

A sample of fifteen (15) officers from across the targeted population were sampled using a probability sampling technique specifically, simple random sampling technique. This gave all the respondents equal chance of being selected. However, using purposive sampling technique, the Ministries of Trade and Industry, Ministry of Justice and Attorney-General's Department and the Ministry of Transport were selected due to the nature of their portfolio and the rate at

which they always interact and negotiate with multinational investors, and partners. Time constraint for the execution of the current study also did not allow for the researcher to increase the sample of the MMMDA's.

3.4. Research Instrument

The main instrument for data collection was a structured questionnaire. The use of the questionnaires enabled the researcher to collect responses that were specific in nature as well as made it possible for many respondents to be surveyed within a short time frame

3.5. Source of Data

The data was collected from primary sources, specifically from respondents which included officials from the selected public institutions who had been involved in a cross-border negotiation.

3.6. Method of Data Analysis

The gathered questionnaires were analyzed using the Statistical package for Social Sciences (SPSS) version 20. Data was presented in the form of frequency distribution tables and charts.

4. Results and Discussion of Findings

4.1. Brief Profile of Sampled Ministries

4.1.1. Ministry of Justice and Attorney- General's Department

The Ministry of Justice and Attorney-General's Department is essentially a professional and service Ministry providing professional legal services to all MDAs, MMDAs, other Agencies of the State requiring such services and the public as a whole. It consists of the following departments and agencies:

- The Legal Service i.e. the Attorney-General's Department. This is made up of three divisions namely: The Civil, the Legislative Drafting and the Prosecutions Divisions.
- Registrar-General's Department
- Copyright Office
- Economic and Organized Crime Office
- Law Reform Commission
- Council for Law Reporting
- Legal Aid Scheme
- Ghana School of Law

4.2. Data Presentation and Discussion

4.2.1. Respondents Demographic Data

	Frequency	Percent
Male	10	66.7
Female	5	33.3
Total	15	100.0

Table 1: Gender of the Respondents
Source: Field Survey, 2016

From Table 4.1, a majority of 66.7% were males and the remaining 33.7% were females. This suggests that a majority of respondents selected for the study were males. Considering the nature of work at the selected ministries, it is not surprising to have a male dominance.

	Frequency	Percent
20-30 years	1	6.7
31-40 years	4	26.7
41-50 years	6	40.0
51-60 years	4	26.7
Total	15	100.0

Table 2: Ages of Respondents
Source: fieldwork, 2016

Table 2 represents the ages of respondents. The table indicates that, out of these 15 respondents, 1 respondent was between 20-30 years. 4 respondents were between the ages of 31 to 40 and 51-60 years respectively. The remaining 6 respondents were between the ages of 41 to 50 years.

	Frequency	Percent
Bachelor of Laws (Bl)	7	46.7
1st Degree	5	33.3
Masters Degree	3	20.0
Total	15	100.0

Table 3: Level of Respondents Education
Source: Field Survey, 2016

The data obtained from the respondents showed that, a majority of seven (7) respondents representing 46.7% were Bachelor of Laws. Five (5) others representing 33.3% of respondents had undergraduate degree (1st Degree). This was followed by three (3) respondents who had first degrees representing 20% of the sample. Considering the nature of work at these ministries, it was strategic that a majority of the respondents had Bachelor of Laws (BL)

	Frequency	Percent
1-5years	2	13.3
6-10years	5	33.3
Above 10years	8	53.3
Total	15	100.0

Table 4: Respondents Tenure of Service
Source: fieldwork, 2016

Table 4 above shows the result of respondents' length of service with their respective ministries. The table indicated that two (2) respondents had served between 1 to 5 years representing a majority of 13.3% of respondents. Five (5) others representing 33.3% had served between 6-10 years and the remaining eight (8) representing 53.3% had served above 10 years. Considering the nature of what goes into cross-border negotiations, it was important to have long service and experienced workers at the various ministries. Their experiences are vital during such negotiations.

	Frequency	Percent
Assistant Director	4	26.7
Director	4	26.7
State Attorney	5	33.3
Manager	2	13.3
Total	15	100.0

Table 5: Respondents Job Title
Source: fieldwork, 2016

Table 5 above shows the result of respondents' job title at their various ministries. The table indicated that four (4) respondents representing 26.7% were assistant directors and directors respectively. Five (5) others were State Attorneys representing 33.3% of the sample. Another two (2) were Managers working at the sampled ministries which represented 13.3% of the sample.

4.2.2. Respondents Awareness of Cultural Implications on Cross-Border Negotiations

	Frequency	Percent
YES	9	60.0
NO	6	40.0
Total	15	100.0

Table 6: Respondents Knowledge on Culture Implications on Cross-Border Negotiations
Source: Field Work, 2016

From Table 6 above, a majority of 60% of respondents indicated their awareness of the implications of culture during cross-border negotiations. However, the remaining 40% responded in the negative. This implied that to a greater extent, respondents know the role culture play during negotiations with its consequences.

	Frequency	Percent
Yes	4	26.7
No	11	73.3
Total	15	100.0

Table 7: Respondents Training on Cross-Border Negotiations
Source: field work, 2016

From Table 7 above, a majority of 73.3% of respondents indicated they had not received any form of official and specialized training on the implications of culture on cross-border negotiations from their ministries. However, the remaining 26.7% responded in the affirmative. This included the two lawyers and two directors. It is quite interesting since all respondents had been involved in negotiations at one time or the other. It could imply that although they had not received any official training, their experiences may have helped. It could also imply that they might have received private training.

4.2.3. Negotiating Factors and Its Cultural Responses

	Frequency	Percent
Contract	11	73.3
Relationship	4	26.7
Total	15	100.0

Table 8: Negotiations Goals
Source: field work, 2016

From Table 7 above, a majority of eleven respondents representing 73.3% of respondents indicated they adhere to the sole purpose of negotiation which is the 'get the contract done' rather than build relationships. Negotiators from different cultures may tend to view the purpose of a negotiation differently. For deal makers from some cultures, the goal of a business negotiation, first and foremost, is a signed contract between the parties. Other cultures tend to consider that the goal of a negotiation is not a signed contract but rather the creation of a relationship between the two sides. Indeed, the preliminaries of negotiation, in which the parties seek to get to know one another thoroughly, are a crucial foundation for a good business relationship. They may seem less important when the goal is merely a contract. It is therefore important to determine how one's counterparts view the purpose of the negotiation (Salacuse, 2005).

	Frequency	Percent
Win-Lose	0	0
Win-Win	15	100.0
Total	15	100.0

Table 9: Negotiation Attitude
Source: Field Work, 2016

From Table 7 above, when respondents were asked on their attitudes during negotiation, a majority of fifteen (15) representing 100% of the respondents indicated that they always approved negotiations with a win-win attitude. Salacuse (2005) posits that due to the differences in culture, personality, or both, business persons appear to approach deal making with one of two basic attitudes: that a negotiation is either a process in which both can gain (win-win) or a struggle in which, of necessity, one side wins and the other side loses (win-lose). Win-win negotiators see deal making as a collaborative, problem-solving process; win-lose negotiators view it as confrontational. As a negotiator enter negotiations, it is important to know which type of negotiator is sitting across the table from him or her.

	Frequency	Percent
Informal	5	33.3
Formal	10	66.7
Total	15	100.0

Table 10: Personal Style
Source: Field Work, 2016

From Table 10 above, a majority of 66.7% of respondents indicated that their personal style of negotiation is formal whereas the remaining five (5) representing 33.3% of the respondents represents informal.

	Frequency	Percent
Direct	8	53.3
Indirect	7	46.7
Total	15	100.0

Table 11: Communication
Source: field work, 2016

From Table 11 above, eight (8) respondents representing 53.3% indicate that they preferred direct form of communication as compared to the seven (7) other respondents representing 46.7% who preferred the indirect form of communication. Lewicki et al., (2004) argues that culture influence verbal and nonverbal communication. There are also differences in body language across cultures; a behaviour that may be highly insulting in one culture may be completely innocuous in another. As such to avoid offending the other party in negotiations across borders, the international negotiator needs to observe cultural rules of communication carefully. These include gestures and body movements. In

Ghana for example, a meeting scheduled in the morning could possibly begin at noon which is a poor attitude with respect to time.

	Frequency	Percent
High	12	80.0
Low	3	20.0
Total	15	100.0

Table 12: Sensitivity to Time
Source: Field Work, 2016

From Table 12 above, a majority of twelve respondents representing 80% indicated they had a high sensitivity to time. Another three (3) respondents representing 20% however indicated they had a low sensitivity to time. Indeed, Singh (2009) posits that cultures largely determine what time means and how it affects negotiations. In most Western cultures, people tend to respect time by appearing for meetings at the appointed hour, being sensitive to avoid wasting the time of the other people, and generally holding that "faster" is better than "slower" because it symbolizes high productivity. In traditional societies, the pace is slower. This tends to reduce the focus on time as these cultures prefer to focus on the task, regardless of the amount of time that it takes. The opportunity for misunderstandings because of different perceptions of time is great during cross-cultural negotiations.

	Frequency	Percent
High	9	60.0
Low	6	40.0
Total	15	100.0

Table 13: Emotionalism
Source: field work, 2016

Table 13 above indicates respondents' cultural response pertaining to their level of emotionalism. A majority of nine respondents representing 60% said they had a high level of emotionalism whereas the remaining six (6) indicated a low level of emotionalism.

	Frequency	Percent
General	3	20.0
Specific	12	80.0
Total	15	100.0

Table 14: Form of Agreement
Source: field work, 2016

From Table 14 above, a majority of 80% of respondents indicated they preferred a specific form of agreement rather than the 20% who indicated they preferred a more general form of agreement.

	Frequency	Percent
One Leader	8	53.3
Group Consensus	7	46.7
Total	15	100.0

Table 15: Team Organization
Source: field work, 2016

Table 15 above indicated that eight (8) respondents representing 53.3% in terms of team organization preferred one leader whereas the remaining seven (7) preferred group consensus. In any negotiation, it is important to know how the other side is organized, who has the authority to make commitments, and how decisions are made. Culture is one important factor that affects how the executives organize themselves to negotiate a deal. Some cultures emphasize the individual while others stress the group. These values may influence the organization of each side in a negotiation. An example is a negotiating team with a supreme leader who has complete authority to decide all matters. Many American teams tend to follow this approach. Other cultures, notably the Japanese and the Chinese, stress team negotiation and consensus decision making.

	Frequency	Percent
High	6	40.0
Low	9	60.0
Total	15	100.0

Table 16: Risk Taking
Source: Field Work, 2016

Table 16 shows that in terms of the cultural responses of respondents to risk taking, a majority of nine (9) respondents preferred a low risk taking. The remaining six (6) respondents representing 40% of the sample however preferred a high risk taking.

Cultures vary in the extent to which they are willing to take risks. Some cultures tend to produce bureaucratic, conservative decision makers who want a great deal of information before making decisions. Other cultures produce negotiators who are more entrepreneurial and who are willing to act and take risks when they have incomplete information. The orientation of a culture toward risk affects negotiations substantially in that the content of the negotiated outcome may vary. Those in risk-avoiding cultures are more likely to seek further information and take a wait-and-see stance (Salacuse, 1993).

4.2.4. Remedies for Mitigating the Effect of Culture on Cross-Border Negotiations

	SA	A	NS	D	SD
Training on Culture	40.0% (6)	46.7% (7)	0	0	13.3% (2)
Employing Special Negotiators	6.7% (1)	13.3% (2)	0	80% (12)	0
Cultural Tolerance and Respect	33.3% (5)	46.7% (7)	6.7% (1)	0	13.3% (2)
Avoiding Attribution Errors	33.3% (5)	53.3% (8)	13.3% (2)	0	0

Table 17: Remedies for Mitigating the Effect of Culture on Cross-Border Negotiations
Source: Field Work, 2016

Table 17 above presents the response of respondents which suggest solutions to the effect of culture on cross-border negotiations.

A majority of seven respondents representing 46.7% agreed that there is the need for their various ministries to train them especially on culture and cross-border negotiations. Another 40% representing six of the respondents also strongly agreed to this assertion. However, two (2) others representing 13.3% strongly disagreed with the assertion which was quite ironic.

Furthermore, when respondents were asked on the need for employing special negotiators, a majority of twelve (12) respondents representing 80% of the respondents disagreed with the assertion. On the other hand, two (2) others representing 13.3% of the respondents agreed while the remaining one (1) respondent representing 6.7% strongly agreed with the assertion. This could imply that respondents would rather prefer to be trained than for their ministries to fully employ special negotiators which will be at an extra cost to the Government of Ghana.

Again, seven respondents' representing 46.7% agreed that there is the need for cultural tolerance and respect during cross-border negotiations. Another five (5) respondents representing 33.3% also strongly agreed with this assertion. Two respondents strongly disagreed with the assertion. One (1) respondent however was not sure of the response with no respondent disagreeing with the assertion. Indeed, it is very important to show respect for the other party before starting negotiation. However, it is wrong to assume that display of respect is the same way in each country. Finally, when asked on the need for respondents avoiding attribution errors, eight (8) respondents representing 53.3% agreed to the assertion that indeed it was necessary. Five (5) respondents representing 33.3% agreed with the assertion. Two respondents were undecided with respect to their responses. None of the respondents however, disagreed or strongly disagreed with the assertion respectively. According to Singh (2009), attribution error occurs when people assume that a person's behaviour is influenced more by what "kind" of person he is, rather than on the social and environmental forces that influence that person. Culturally sensitive negotiators should view their partners' behaviour within the prism of cultural and situational norms and not attribute it to their underlying personality.

5. Summary, Conclusion and Recommendations

5.1. Summary

The study sought to examine the effect of culture on cross-border negotiations. Indeed, culture profoundly influences how people think, communicate, and behave. It also affects the kinds of transactions they make and the way they negotiate them. Differences in culture between business executive, for example, between a Chinese public sector plant manager in Shanghai and a Canadian division head of a family company in Toronto could create barriers that obstruct or completely end a negotiating process. To help achieve the purpose of the study, three objectives were formed, specifically, to identify the degree of awareness of cultural implications on cross-border negotiations, to examine how culture can affect cross-border negotiations and to suggest remedies for mitigating the challenges of culture on cross border contracts. Findings indicated that a majority of 60% of the respondents were aware of the implications of culture on cross-border negotiations, however only 26.7% of the total number of respondents had officially been trained in understanding the cultural implications of cross-border negotiations. On the cultural responses of respondents to negotiation factors, an overwhelming 100% of respondents indicated they always negotiated with a win-win negotiation attitude. Furthermore, 60% of respondents rather preferred low risk-taking during negotiations.

On the remedies to the effect of negotiation, a majority of 86.7% suggested the need for training on culture during negotiations. They were of the view that its absence can have negative repercussion on reaching out on contracts. A majority of 80% of respondents significantly disagreed with the decision to employ special negotiators for the ministries who will handle cross-border negotiations. However, a majority of 86.6% attested to the assertion that, there was the need to avoid attribution errors during cross-border negotiations.

Based on the findings, it was recommended that, the Government of Ghana through the ministries should take practical steps to train its representatives on cross-border negotiation and its cultural implications for the success of business negotiations.

5.2. Conclusion

Negotiation is an important and valuable tool for the effective attainment of cross-border deals and contracts. Cultural considerations play an important role in the negotiation process as all of the actors bring with them their own specific cultural behaviors; that is their patterns of thinking, feeling, and acting and most importantly, their own set of culturally shared values. This research has identified that negotiators from the Ministry of Trade and Industry, Ministry of Justice and Attorney General's Department and the Ministry of Transport are aware of the cultural implications on achieving success during cross-border negotiations. However, they have not been adequately trained to handle such complexities. Culturally, most of the negotiators are low risk takers and also respond to negotiation with a win-win attitude. Finally, the negotiators would prefer for the Government of Ghana to train them on cross-border negotiations so that they can effectively negotiate during such sessions rather than they employing special negotiators at additional costs.

5.3. Recommendations

Flowing from the above, it is recommended that;

- The management of these ministries undertake capacity building programs to train its negotiators on the cultural implications during cross-border negotiations.
- There is also the need for regular research to be conducted on the subject
- The Negotiators need to be motivated with attractive compensation packages

6. References

- i. Adler, N. J. (1989). "Cross-Cultural Interaction: The International Comparison Fallacy?" *Journal of International Business Studies*, Vol. 20, No. 3. 515 – 533, at 516.
- ii. Brett, J. M. (2000). *Culture and Negotiation*. *International Journal of Psychology*, 35 (2): 97-104
- iii. Brett, J. M., & Okumura, T. (1998). Inter-and intracultural negotiation: U.S. and Japanese negotiators. *Academy of Management Journal*, 41(5): 495-510.
- iv. Black's Law Dictionary, 6th Edition
- v. Cohen, R. (1997). *Negotiating Across Cultures*. Washington, D.C.: United States Institute of Peace.
- vi. Dasgupta, A. "Cultural Dynamics in International Negotiations". Assessed on 1/11/2016 Available at Social Science Research Network (SSRN): <http://ssrn.com/abstract=651185>
- vii. Drake, L.E. (2001). The culture-negotiation link: Integrative and distributive bargaining through an intercultural communication lens. *Human Communication Research*, 27 (3): 317-349
- viii. Elliot, A.J., Chirkou, V.I., Kim, Y., & Sheldon, K.M. (2001). A cross-cultural analysis of avoidance (relative to approach) personal goals. *Psychological Science*, 12 (6): 505-510
- ix. Faure, G. O (2002). "International Negotiation: The Cultural Dimension." In *International Negotiation: Analysis, Approaches, Issues*. Edited by Victor A. Kremenyuk. San Francisco, CA: Jossey-Bass.
- x. Faure, G. O. & Gunnar, S (1993). "Culture and Negotiation: An Introduction." In *Culture and Negotiation*. Edited by Guy Oliver Faure and Jeffrey Z. Rubin. Newbury Park, CA: SAGE Publications, Inc.
- xi. Francis, J.N.P (1991). "When in Rome? The Effects of Cultural Adaptation on Intercultural business Negotiations," *Journal of International Business Studies*, Vol. 22, 403-428.
- xii. Hooper, C. (2005). *Cross-Cultural Communication and Negotiation*.
- xiii. Horst, P. R. Jnr. (2007). *Cross Cultural negotiations*. Unpublished thesis by the Air War College, Air University.
- xiv. King, C. & Segain, H. (2007). *Cross Border Negotiated Deals: Why Culture Matters?* ECFR.
- xv. Lewicki, J.R., & Saunders, D.M., Barry, B., & Minton, M.W. (2004). *Essentials of negotiation*. New York, NY: McGraw-Hill/Irwin.
- xvi. Salacuse, J. W. (1993). "Implications for Practitioners." In *Culture and Negotiations*. Edited by Guy Oliver Faure and Jeffrey Z. Rubin. Newbury Park, CA: Sage Publications.
- xvii. Salacuse, J. W. (1998). "Ten Ways the Culture Affects Negotiating Style: Some Survey Results." *Negotiation Journal* 14, no. 3.: 221-240.
- xviii. Sebenius, J.K (2002). "The Hidden Challenge of Cross-Border Negotiations," *Harvard Business Review*, 77- 89.
- xix. Singh, S. (2009). *Nuts & Bolts of Conducting Cross Border negotiations*. Presented paper at ABA- Section of Business Law, Young Lawyer Forum.
- xx. S.G. Goldberg; E.A. Frank; N.H. Rogers: *Dispute Resolution: Negotiation, Mediation and Other Processes*, (2nd Edition) (Boston Little, Brown and Company, 1992)
- xxi. The Law Society of Upper Canada "Short Glossary of Dispute Resolution Term" (Toronto 1992)

Appendix

Sample Questionnaire

Dear Respondent,

You are kindly requested to provide answers to the questions below. The study is only for academic purposes and therefore information provided by respondents shall be treated with the highest degree of confidentiality. Thank you.

Section A: Demographic Information

- 1. Gender: a. Male [] b. Female []
- 2. Age range a. 20 - 30yrs. [] b. 31 - 40yrs. [] c. 41 - 50yrs. [] d. 51 – 60yrs. []
- 3. Highest level of education achieved:
a. High National Diploma [] b. First Degree [] c. 2nd Degree [] d. Other (s) [] Please specify:
.....
- 4. How long have you been working with your company?
a. 1-5years [] b. 6-10years [] c. Above 10 years []
- 5. What is your Job Title?
a. Assistant Director [] b. Director [] c. Manager [] d. Lawyer []

Section B: Respondents awareness of cultural implications on cross-border negotiations.

- 6. Do you know culture can affect Cross-border negotiation?
a. Yes [] b. No []
- 7. Have you received any form of training on cross-border negotiations?
a. Yes [] b. No []

Section C: Listed below are negotiation factors and how culture affects them during cross border negotiations. Also provided under each negotiating factor are two cultural responses. Kindly indicate which is more applicable to you during cross-border negotiations.

- 8. Negotiating Goal
a. Contact [] b. Relationship []
- 9. Negotiation Attitude
a. Win-lose [] b. Win-win []
- 10. Personal Style
a. Informal [] b. Formal []
- 11. Communication
a. Direct [] b. Indirect []
- 12. Sensitivity to Time
a. High [] b. Low []
- 13. Emotionalism
a. High [] b. Low []
- 14. Form of Agreement
a. General [] b. Specific []
- 15. Team Organization
a. One Leader [] b. Group Consensus []
- 16. Risk Taking
a. High [] b. Low []

Section D: Listed below are remedies for mitigating the effect of culture on cross-border negotiations. Kindly indicate your agreement with these factors on the Likert Scale below;

Remedies	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
17. Training on Culture	1	2	3	4	5
18. Employing special negotiators	1	2	3	4	5
19. Cultural Tolerance and Respect	1	2	3	4	5
20. Avoiding Attribution Errors	1	2	3	4	5

If Other (s), Please Specify: