A Cross-Cultural Comparison of Brazil, Russia, India, and China (BRIC) on Negotiation Styles

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ABSTRACT By 2039, the economies of Brazil, Russia, India, and China (BRIC) are expected to become wealthier than the current major economic countries. Despite the enthusiasm for increased global interaction and economic exchange with BRIC, many people have found that cultural differences hinder their ability to efficiently conduct business or negotiations given a lack of cultural understanding. This approach used the model by Casse and Deols and individualism as dependent and independent variables. Data were collected from sales and purchasing managers of public companies using an online survey and the snowball sampling method. Structural equation modeling (SEM), the preferable technique for measuring hypothesized models and research hypotheses, was selected. The findings indicated that an individualist attitude directly affected negotiation style, wherein, nationality is a moderated variant of an individualist attitude and negotiation style, and that BRIC negotiators preferred different negotiation styles. Limitations and future studies are discussed.

INTRODUCTION

By 2039, the economies of Brazil, Russia, India, and China (BRIC) are expected to become wealthier than most current major economic countries, such as the G6 (Wilson and Purushothaman 2003). Further, the combined economies of BRIC are expected to eclipse the current richest countries and play a major role in the world (Braun 2009; MacDonald 2009).

In 2001, Jim O'Neilla, a global economist at Goldman Sachs, first coined and prominently defined the term BRIC for the four fast-growing developing countries. BRIC encompassed over 25% of the world's land coverage and 40% of the world's population. Wu and Lin (2008) indicated that BRIC has three common characteristics that will profoundly affect the global economy, including abundant natural resources, a young population, and extensive land area. Wilson and Purushothaman (2003) predicted that China and India will be the dominant global suppliers of manufactured goods and services, whereas, Brazil and Russia will similarly become dominant as suppliers of raw materials. In addition, cooperation is hypothesized as a logical next step among BRIC because Brazil and Russia will become the logical commodity suppliers to India and China.

According to Taiwan's Ministry of Economic Affairs (MOEA), the country's major national trading partners include BRIC. Taiwan's trades with China, in 2014, were $112.9 billion in goods and services (approximately 28.0 percent, making China Taiwan's largest trading partner); its trades with India were $6.6 billion (approximately 1.23 percent, making India its 16th largest trading partner); its trades with Brazil were $4.4 billion (approximately 0.83 percent, making Brazil its 21st largest trading partner); and its trades with Russia were $3.4 billion (approximately 0.65 percent, making Russia its 25th largest trading partner).

Globalization and economic openness have contributed to increased international engagement of countries in negotiations during the 21st century. Both the foreign investment and the international trade are growing significantly, increasing the interdependence of national economies and furthering the globalization of companies. Presently, BRIC economies have an enormous influence on the world; thus, understanding the various negotiation styles and cultural issues that may influence behaviors during negotiations is imperative.

Wilson and Purushothaman (2003) indicated that BRIC made it relatively easy to measure their aggregate wealth, a phenomenon affecting world markets because multinational corporations seek to take advantage of the enormous potential markets produced by BRIC. However, despite enthusiasm for increased global interaction and economic exchange, inadequate understanding of cultural differences hinders firms' ability to efficiently conduct business negotiations with different countries or areas.

Negotiation is a kind of communication to achieve consensus between contractual partners, and the business people have to understand the culture of counterparty's language, habits, traditions, moral and religious customs (Baicu 2014). Even for people with experience in negotiation, the different culture may become in wrong practices during cross-culture negotiations, and strategy is essential for processing negotiation challenges (Soriano 2014). With the resulting increase in the frequency of face-to-face negotiations, the nature of the strategies, styles, and agreements used in negotiations is becoming increasingly significant (Kumar et al. 2004). Successful negotiation required not only clear communication of the technical aspects of an exchange but involves also an understanding by both the parties of the context of the negotiation (Korobkin 2000). Chang (2003) indicated that each side must understand that what the other side desires from a business negotiation to be successful in a cross-cultural context.

Objectives

Jain (2006) indicated that identifying the cultural characteristics of BRIC is the first step to successfully negotiate with them. Lee and Trim (2008) suggested that a shared organizational culture may assist in managing international partnerships, and the international community needs to take genuine strides to learn about one another's negotiation methods. This research examined the hypotheses that culture influences negotiation style; nationalities are moderated variants that affect attitudes toward individualism and negotiation styles, and negotiation styles differ by culture. Further, this study identified the implications for international negotiations throughout the world of business and for further researches.

Literature Review

Cultures

Culture is commonly defined as a set of shared values and beliefs that characterized the behavior of groups in national, ethnic, moral, and other related terms (Faure and Sjöstedt 1993; Craig and Douglas 2006; Adapa 2008). Individual cultures are revealed through food, songs, and stories exchanged with people outside a certain region

(Parra 2001). Schein (1997) added that culture is a pattern of shared basic assumptions that a group learns as it solves its problems of external adaptation and internal integration—a pattern that was sufficiently successful to be considered valid and is, thus, taught to new members as the appropriate means to perceive, think, and feel in relation to such problems. Simintiras and Thomas (1998) defined culture as a set of accepted values and norms that influence peoples' thought, feelings, and behavior. In fact, because sub-cultures, cultures, and super cultures merge and evolve, although, less bounded than they used to be— they have certainly become more porous and varied over time (Barbash and Taylor 1997).

To help individuals to distinguish between the cultures of different countries, Hofstede (1980, 1994) formulated the theory of cultural dimensions that identified the major variables of cultural differences: power, uncertainty/avoidance, characteristics of individualism/collectivism, and masculinity/femininity. Cultural differences influence conduct, decision making, and communication in business, and that collectivist and individualist values play a prominent role in the important areas of cross-cultural psychology, international management, and religion (Hofstede 1993; Kim et al. 1994; Triandis 1995). Out of Hofstede's four cultural dimensions, the individualism/collectivism contrast is most often employed in cross-cultural studies of negotiation (Bazerman et al. 2000).

Negotiations

In the broadest sense, negotiation is the iterative process of communication that involves the discussion of the issues concerned to reach an agreement that is satisfactory to all parties involved (Gulbro and Herbig 1994; Foroughi 1998). Negotiation is a type of social interaction to reach an agreement among two or more parties with different objectives or interests (Fraser and Zarkada-Fraser 2002; Manning and Robertson 2003; Wheeler 2004a). Gulbro and Herbig (1995) indicated that to achieve successful agreements, negotiations are important in eliminating competing viewpoints between the representatives.

The negotiation process that occurs between a buyer and seller is important for both the parties (Neslin and Greenhalgh 1983; Federici-Neb-

biosi 2007), and success through this negotiation is considered as one of the most challenging communicative activities that a business faces (Gilsdorf 1997). In international business strategic alliances, business and multilateral negotiations have become essential (Graham et al. 1994). At the most fundamental level, every negotiation is essentially a conflict resolution, and a satisfactory outcome may lead to a long-term business relationship (Fraser and Zarkada-Fraser 2002). However, individual culture determines each party's thoughts, values, norms, and behaviors (Hung 1998; Simintiras and Thomas 1998; Woo and Pru'homme 1999).

This study used a model with four negotiation styles as dependent variables that were developed and defined by Casse and Deol (1985: 77–78), and are as follows. FA or Factual Style: people using this style are cool, collected, patient, down-to-earth, present-oriented, precise, realistic, and able to document their statements, and stick to facts that speak for themselves. IN or Intuitive style: this style is characterized by a charismatic tone, holistic approach, strong imagination, tendency to switch from one subject to another, numerous ups and downs, fast pace, deductive approach to problems, and future orientation. NR or Normative Style: those who use this style believed that negotiating is bargaining; they judge, assess, and evaluate the facts according to a set of personal values, appeal to feelings, offer bargains, propose rewards and incentives, and seek compromises. AN or Analytical Style: the basic assumption underlying this style is that "logic leads to the right conclusions"; people adopting this style form reasons, analyze each situation in terms of cause and effect, place things into a logical order, weigh the pros and cons, and use a sort of linear reasoning. They are unemotional and focus on the relationship of the parts.

Cross-cultural Negotiations

Gulbro and Herbig (1994) viewed that different cultures are associated with different negotiation styles. These differences in style are the product of differences in means of communication, protocols, strategies of persuasion, and personal characteristics, including accommodation, determination, flexibility, and adaptation (Hung 1998). Those who specialized in negotiations must learn to understand the negotiation styles of foreigners by studying their cultural beliefs and norms (Chang 2003). Thus, comprehending fully the cultural values and assumptions of all parties involved is necessary to succeed in any negotiation process. In addition, negotiators must view the process from the perspective of the other party to understand their goals as fully as possible (Fisher 1983). Wheeler (2004b) suggested that negotiation might be fruitless if the parties have no shared notion of the objectives of the process. Janosik (1987) added that an approach informed by shared values is the method most frequently used in negotiations.

Cross-cultural negotiations are made more complicated due to various factors relating to environment, language, ideology, and customs (Mintu-Wimsatt and Gassenheimer 2000; Hoffmann 2001). Gulbro and Herbig (1995: 3) stated that, "when negotiating internationally, this translates into anticipating culturally related ideas that are most likely to be understood by a person of a given culture." The numerous authors demonstrated that culture is one of the most important factors involved in cross-cultural negotiation (Gulbro and Hrbig 1994; Schein 1997; Hofstede 1980; Salacuse 2005). However, when conducting business in a cross-cultural setting, negotiation is significantly more complex. However, due to the level of sophistication of the knowledge required to conduct such exchanges, many negotiators are unsuccessful in reaching agreements given the challenges involved in overcoming cultural differences as opposed to any economic or legal problems (Gulbro and Herbig 1995).

Presently, studies comparing the effect of culture on a negotiation between two or more countries are being developed. Many scholars consider culture an important factor that affects negotiation styles (Whitcomb et al. 1998; Chua and Fujino 1999; Woo and Prud'homme 1999; Fan and Zigang 2004). Some studies are cross-sectional, emphasizing the effect of cultural differences on negotiation styles. For instance, Volkema and Fleurv (2000) examined the effect of culture on American and Brazilian negotiation styles, and Lee (2000) examined the effect of culture on American and Chinese negotiation styles. Some authors contrasted and focused on the negotiation styles of specific countries (Morris et al. 2001).

As the economic development of BRIC has an increasingly central role in shaping the global

economy, businesses must know how to effectively negotiate with the four geographical regions. Few literatures on negotiations styles exist within BRIC. Thus, further inquiry into the specific nature of these countries' negotiation styles was recommended (Woo and Prud'homme 1999). To fill the gap, the present research focused on cultural differences and similarities in business negotiations and negotiation styles among BRIC.

RESEARCH METHODOLOGY

One model employed in this study is based on the theory of Casse and Deol (1985), who examined the influence of culture on the four different negotiation styles (factual, intuitive, normative, and analytical). The conceptual framework foundational for negotiation styles is based on Jung's (1967) four psychological types (sensing versus intuition and thinking versus feeling). Casse and Deol (1985) distinguished between negotiating skills and styles, strategies and tactics, communication, and negotiating across cultures, among others. Subsequently, other researchers conducted content analysis; EFA (Tu 2007); reliability studies (Tu 2007); reliability estimates, critical ratios, and validation (Tu 2014a); and measurement equivalence/invariance (MI) to examine the NSP-12 (Tu 2014b). The hypothesized model (Fig. 1) and research hypotheses are as follows.

Research Hypotheses

H1: The cultural characteristic related to an individualist attitude forms a direct path and is a factor that significantly affects the negotiation style employed.

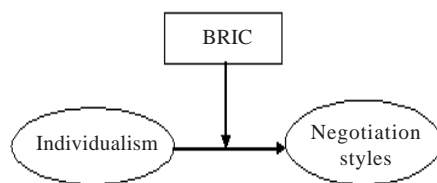*H2:* Nationality is a moderated variant between individualism and negotiation style.

Fig. 1. Hypothesized model

H3: Among BRIC, negotiators prefer to employ different negotiation styles.

Instrumentation

In the three-part questionnaire, individualist characteristics were the independent variables and four negotiating styles were the dependent variables used in the research model. Three items were added to the questionnaire to examine these individualist characteristics, and each negotiation style used a five-point Likert scale. Each statement had five possible responses: 5 = Always; 4 = Often; 3 = Occasionally; 2 = Seldom; and 1 = Never.

The model also considered participants' socio-demographic characteristics, including gender, age, and region of birth. For the demographic variables, participants provided their own responses. These socio-demographic questions and the coding schemes used were as follows: Gender: 1 = male; 2 = female; Age: 1 = under 35; 2 = 35–45; 3 = 46–55; and 4 = over 55; Region of birth: 1 = Brazil; 2 = Russia; 3 = India; and 4 = China.

Population and Data Collection

The population selected for the research was taken from sales and purchasing managers of public companies listed on BRIC stock exchanges; any company listed on these stock exchanges had the potential to be included in this study. Data was collected using an online survey, and a hyperlink to the survey website was provided on each e-mailed invitation. Versions of the survey in English, Portuguese, Russian, Hindi, and simplified Chinese were translated by AT-Link Group and posted on the research website my3q.com. To avoid sampling errors, the population was collected from all different sectors of the stock markets in the four countries. A random sample was obtained from each sector using stratified random sampling.

Sheehan (2001) reported that the average response rate of an online survey is 36.83 percent. Usually, the response rate of an online survey is low; thus, a *snowball* sampling method was also used to recruit eligible participants from diverse community sites to ensure that a sufficiently large number of responses were obtained. In this procedure, an invitation e-mail was sent to sales and purchasing managers with the request that they

pass along the e-mail to additional eligible participants (for example, business partners and colleagues).

Data Analysis Methods

Shemwell (1996) indicated that structural equation modeling (SEM) is increasingly becoming important, more so than employing sophisticated statistical techniques, particularly in the context of cross-cultural behavioral studies. Hair et al. (2010) indicated that SEM has become a popular multivariate approach because it enabled assessment of theories that are conceptually appealing and is viewed as a combination of classical path and confirmatory factor analyses.

AMOS software (version 18.0) and SPSS 14.0, which included a SEM package with maximum likelihood estimation, were used to test both the measurement and the structural models related to the research hypotheses. The present research also used several criteria to determine the inclusion of items and the model's goodness-of-fit. Hair et al. (2010) suggested a six-stage procedure for employing SEM, which is followed in this research.

RESULTS

Data collection lasted almost for one month, during which 1,400 e-mail invitations were sent and 589 were returned, for a 42.1% response rate. Thirty-six of the questionnaires returned were incomplete or invalid. All questionnaires were coded for statistical analysis using SPSS 14.0. From the 553 usable questionnaires, 140 (25.3 percent) were from Brazil, 147 (26.6 percent) were from Russia, 136 (24.6 percent) were from India, and 130 (23.5 percent) were from China. Of the respondents, 326 (59.0 percent) were male, 227 (41.0 percent) were female, 117 (21.2 percent) were under age 35, 182 (32.9 percent) were between ages 35 and 45, 155 (28.0 percent) were between ages 46 and 55, and 99 (17.9 percent) were older than 55.

Further, the construct validity was measured using convergent and discriminant validity. In the second-order CFA, all factor loading estimates were higher than .80, all composite reliability (CR) values ranged from .91 to .93, and all extracted average variance values were between .76 and .82. This evidence supported the convergent validity of the measurement model as the criteria of Hair et al. (2010).

Bagozzi and Phillips (1982) stated that discriminant validity is supported if the number one is not included within the computed confidence interval. In the present research, a model was constructed for each of the 10 paired correlations of the latent variables. Then, the correlation between the two constructs was set to one, and a 95% confidence interval was applied as a bootstrap. The results indicated that all paired correlation values of the latent variables ranged from –.681 to .574, and the number one was not included within the upper and lower limits of the confidence interval, indicating discriminant validity among the theoretical constructs.

To allow cross-cultural comparisons, a cross-validation strategy was used to assess the model's stability, which involved randomly splitting all samples into calibration and validation samples. Cross-validity may be assessed in three ways using loose, moderate, and tight replication strategies (MacCallum et al. 1994). For the loose replication strategy, the χ^2 value associated with assuming a correct unconstrained model was 11.515 with 10 degrees of freedom, and the associated p-value was .319. For the moderate replication strategy, the χ^2 value associated with assuming correct model measurement weights was 4.226 with four degrees of freedom, and the associated p-value was .376. For the tight replication strategy, the χ^2 value associated with assuming correct model structure covariances was 5.899 with five degrees of freedom, and the associated p-value was .316. All the p-values showed no significant differences between the two split samples, which led to the measurement invariance.

The goodness-of-fit indices of the SEM model as shown in Table 1. The overall model fit χ^2 was 226.672 with 98 degrees of freedom. The associated p-value was .000, and was significant using a type I error rate of .05. Thus, the χ^2 goodness-of-fit statistic does not indicate that the observed covariance matrix matches the estimated covariance matrix within the sampling variance. Previous research showed that numerous indices are available to evaluate model fit (Fornell and Larcker 1981; Bentler 1992; Jöreskog and Sörbom 1992). However, no single index or standard is generally agreed on; hence, multiple criteria should be used to evaluate the overall fit of the theoretical model (Bagozzi and Yi 1988; Hair et al. 2010).

Table 1: Comparisons of goodness-of-fit indices of SEM models

GOT indices	Criterion guidelines	SEM
Chi-square (χ^2)		
Chi-square		226.672
Degree of freedom		98
Probability	p > .05 (Jöreskog and Sörbom 1992)	.000
Absolute Fit Measures		
GFI	> .90 (Hair et al. 2010)	.952
RMSEA	< .08 (Browne and Cudeck 1993)	.049
RMR	< .05 (Wu 2009)	.042
SRMR	< .05 (Jöreskog and Sörbom 1992)	.050
χ^2/df	< 3 (Hair et al. 2010)	2.313
Incremental Fit Measures		
NFI	> .90 (Bentler 1992)	.967
RFI	> .90 (Hair et al. 2010)	.959
CFI	> .90 (Gerbing and Anderson 1992)	.981
Parsimony Fit Measurement		
AGFI	> .80 (MacCallum and Hong 1997)	.933
PNFI	> .50 (Wu 2009)	.790

The value of RMSEA, an absolute fit index, was .049, which is smaller than the guideline value of .08 for a model with 15 measured variables and a sample size of 553. Thus, RMSEA supported the model fit. The value of GFI (.958) was higher than the guideline value. RMR (.042) and SRMR (.050) fit with the guideline values. The normed χ^2 was 2.313 and represents the chi-square value divided by the number of degrees of freedom (226.672/98 = 2.313). A number smaller than 3.0 is considered to be very good. Thus, the normed χ^2 suggests an acceptable fit for the structural model.

In the SEM model, the CFI had a value of 0.981, which exceeded the CFI guidelines for a model of this complexity and sample size. The other incremental fit indices (NFI = .967 and RFI = .959) also exceed the suggested cutoff values. All incremental fit indices presented an acceptable fit. The parsimony index of AGFI had a value of .933 and the PNFI was .790. Further, both the indices were considered to represent a good model fit given the acceptable critical value. The overall structural fit results of these analyses showed that the model provides a reasonable fit.

H1: The unstandardized parameter estimate (Table 2) had a value of .30, and the value of the standardized parameter estimate was .35. The standard error was .04, and the *t*-value was significant ($p = 6.898^{***}$).

Table 2: Parameter estimates for the structural model

Structural relationship	Path coefficient	S. E.	t-value
H1. IC Neg	.35	.04	6.898[***]

[***] The mean difference is significant at the .001 level.

H2: The literature review indicated that different nationalities demonstrate different negotiation style preferences. The present research established four country-based groups (BRIC) and used three models to determine significant differences. A multigroup SEM was used to test the moderation. The CFA measurement invariance was estimated at the start of the cross-validation. The value of χ^2 was 12.642, with three degree of freedom and a *p*-value of .005, as illustrated in Table 3.

H3: Hair et al. (2010) indicated that multiple group analysis provides a comprehensive framework for testing the differences between two or more samples of participants. The measurement equivalence approach was employed, and multiple CFAs were extended to separate samples to determine equivalence.

For Brazil, the estimated value for the analytical style was –.896 and the *t*-value was –10.589[***]; the estimated value for the normative style was

Table 3: Assuming model unconstrained to be correct

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	LIT rho-2
Moderation	3	12.642	.005	.002	.002	.001	.001

.254 and the *t*-value was 3.339***; the estimated value for the intuitive style was .909 and the *t*-value was 13.508***; and the estimated value for the factual style was –.154 and the *t*-value was –2.011*, as illustrated in Table 4.

Table 4: Estimates of Brazilian styles of negotiation

Variables	Estimate	S.E.	t-value
Analytical style	-.896	.085	-10.589***
Normative style	.254	.076	3.339***
Intuitive style	.909	.067	13.508***
Factual style	-.154	.076	-2.011*

*** The mean difference is significant at the .001 level.

For Russia, the estimated value for the analytical style was 1.093 and the *t*-value was 13.763***; the estimated value for the normative style was –.538 and the *t*-value was –6.945***; the estimated value for the intuitive style was –1.007 and the *t*-value was –14.918***; and the estimated value for the factual style was .231 and the *t*-value was 3.025**, as shown in Table 5.

Table 5: Estimates of Russian styles of negotiation

Variables	Estimate	S.E.	t-value
Analytical style	1.093	.079	13.763***
Normative style	-.538	.077	-6.945***
Intuitive style	-1.007	.067	-14.918***
Factual style	.231	.076	3.025**

*** The mean difference is significant at the .001 level.

For India, the estimated value for the analytical style was .083 and the *t*-value was .899; the estimated value for the normative style was –.216 and the *t*-value was –2.621**; the estimated value for the intuitive style was –.017 and the *t*-value was –.203; and the estimated value for the factual style was .861 and the *t*-value was 11.746***, as illustrated in Table 6.

Table 6: Estimates of Indian styles of negotiation

Variables	Estimate	S.E.	t-value
Analytical style	.083	.093	.899
Normative style	-.216	.082	-2.621**
Intuitive style	-.017	.082	-.203
Factual style	.861	.073	11.746***

*** The mean difference is significant at the .001 level.

For China, the estimated value for the analytical style was –.486 and the *t*-value was –6.685***; the estimated value for the normative style was

.694 and the *t*-value was 9.724***; the estimated value for the intuitive style was .306 and the *t*-value was 4.473***; and the estimated value for the factual style was –.865 and the *t*-value was –15.550***, as shown in Table 7.

Table 7: Estimates of Chinese styles of negotiation

Variables	Estimate	S.E.	t-value
Analytical style	-.486	.073	-6.685***
Normative style	.694	.071	9.724***
Intuitive style	.306	.068	4.473***
Factual style	-.865	.056	-15.550***

*** The mean difference is significant at the .001 level.

DISCUSSION

This research examined the assumption that culture influences negotiation style. The major findings indicate that the individualist attitude is a direct, positive, and significant factor affecting negotiation style. Thus, H1 was supported, and the result was consistent with the findings of Oetzel and Ting-Toomeys (2003). The results indicated that nationality is a moderated variant between individualism and negotiation style, thus, also supporting H2. For H3, the results indicated that negotiators from Brazil mostly preferred to employ the intuitive negotiation style; negotiators from Russia mostly preferred to employ the analytical negotiation style; negotiators from India mostly preferred to employ the factual negotiation style; and negotiators from China mostly preferred to employ the normative negotiation style.

Osman-Gani and Tan (2002) indicated that subtle differences and nuances could make all the difference in cross-cultural negotiations. Casse (1984) stated that "when the parties involved belong to different cultures, and thus, do not share the same ways of thinking, feeling, and behaving" (p. 152). Culture is a pattern of shared basic assumptions of a society according to national, organizational, regional, ethical, religious, linguistic, and social characteristics (Schein 1997; Chen and Staroata 1998). Cross-cultural studies similar to the aforementioned ones are related to analyzing the effect of different elements, including educational background, beliefs, art, morals, customs, laws, and economics (Evans et al. 1989). For BRIC, the styles and skills related to business negotiations have been greatly influenced

by varied socio-political systems (Prasad and Rumbaugh 2003).

Thus, the negotiation is a number of different disciplines ranging from decision-making processes and strategies to determine or evaluate alternatives and information exchanges in a complex activity (Alavoine et al. 2014). It is more and more complicated to creating and applying effective negotiation strategies and tactics, and business negotiation should be treated as a specific process including many activities of the parties interested in reaching agreement (Kozina 2014).

Chavan and Prabhu (2010) viewed that among BRIC, Brazil has the most westernized values, whereas India has values that are distinctly opposite from Western ones, and China and Russia adopt a blend of local and Western values. Glosny (2010) indicated that fundamental differences existed among BRIC, such as diverse political systems and varied economies. *Brazil* was *a* former *colony* of *Portugal* from the 16th to the 19th centuries. Jain (2006) indicated that Brazilians are quite capable of doing business by employing North American, Northwestern, and Central European processes of business negotiation. India's government and financial and legal systems developed; however, as a former British colony in the 18th century, the country remained closely linked to the British (Jain 2006). Since, the Russian Revolution in 1917, Russia has become a socialist and communist country. Jain (2006) noted that Russia is presently transitioning to a free market economy and a democratic form of government, and its structures of contractual obligations and accepted business processes are being created.

Further, after the October Revolution in Russia in 1917, the Marxist-Leninist doctrine spread among China's working class, which led to the establishment of the Chinese Communist Party (CCP) in 1921. In recent history, China has been separated politically and economically, which has significantly influenced the development of the business climate of each area. Presently, China and Japan share many cultural, philosophical, and religious elements that are distinctly different from that of Western countries (Jain 2006). Although, a different culture influences BRIC, respectively, each has also developed unique culture and practices related to international business and negotiation processes.

Ardichvili et al. (2010) indicated that India and Brazil had much higher scores on business ethics practices than Russia and China. The reason for these differences could be the fact that Russia and China share communist economies and political systems. The results are similar to the 2010 Edelman Trust Barometer report on the trust in business among BRIC; India had the highest regard for "to do what is right", in business, followed by Brazil, China, and Russia.

Tu (2011) found that India has a higher individualism attitude than Russia, Brazil, and China, and, China has the highest collectivism attitude relative to Brazil, Russia, and India. The results consistent with Tu's research in 2014 those negotiators who are from individualist culture more frequently to use factual and analytic styles and negotiators who are from collectivist culture more frequently to employ normative and intuitive styles. Barry (2001) indicated that, in individualist societies, each individual takes care of himself or herself, in contrast to collectivist societies in which groups of people take care of the individual. Typically, people living in collectivist cultures are more concerned with the group and social welfare whereas people from individualist cultures tend to be more concerned with their own rights, benefits, and outcomes (Hofstede 1980). The values of collectivism emphasize the importance of the group. In contrast, individualist values emphasize individual development and expression, even at the expense of the collective (Triandis 1990). Gulbro and Herbig (1999) claimed that high levels of collectivism result in more time being spent on indirect activities unrelated to communication, and high levels of individualism result in more time being spent on direct communication. Drnevich (2003) reported that negotiators from cultures characterized by a high degree of individualism might have difficulty in achieving synergistic or integrative outcomes during a negotiation process.

CONCLUSION

The cultural differences are important when companies conduct business abroad. An understanding of the differences and similarities between the cultures involved facilitates communication and increases the chance of success in negotiations. The present research expands the theory of culture in relation to negotiation styles and may provide useful information for compa-

nies that conduct business. The objective of this study was to identify the critical influences on cross-cultural negotiation styles, and the findings expand the current body of literature on business negotiation styles, which are valuable to people who want to conduct business with BRIC. The researcher hopes that this study improved the understanding of negotiation styles and helped business people develop better strategies to reap more benefits and to maintain their competitive advantage.

RECOMMENDATIONS

The researcher suggested that negotiators still need to be trained in different skills, such as body language, strategies, temper control, international manners, and customs. Better knowledge of negotiation should be helpful in understanding business and in realizing the negotiation styles that are most appropriate for a particular country. The appropriate negotiation skills may result in more competitive advantages and benefits. Negotiators should create a database on negotiation knowledge that can be applied in different countries. The researcher also suggested that, further training and drilling are required for negotiators, and that negotiators should focus on a culture's specific requirements rather than general principles. Although, such strategies may be expensive in the short term, company owners who realize the benefits of negotiation stand to gain more competitive advantages in the long term.

LIMITATIONS

The findings were limited to public companies listed on the stock exchanges in BRIC and the sales and purchasing managers of those listed companies. The research was constrained by financial resources and time; therefore, it adopted only a quantitative research method and employed a self-reporting questionnaire to conduct an online survey. Further, although, Hofstede's model of cultural dimensions has been widely used to examine cultural issues, only one factor was examined in the research. Although, the SEM provided a good fit with the hypothesized model, future research may use a different design to examine the causal relationships posited by the theories of negotiation. Alternatively, the differences and similarities of the negotiation styles used in different countries, such as the four little dragons, or within a region, such as Germany, could be compared. Additionally, future studies could employ a qualitative method to add value to the current findings. To further generalize the results, the sampling plan could be expanded to include negotiators who are not sales and purchasing managers.

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