International Marketing, 18e (Cateora)

Chapter 19 Inventive Negotiations with International Customers, Partners, and Regulators

1) In the age of the Internet and virtual conferencing, face-to-face negotiations are rare.

2) Individual personalities and backgrounds are of no relevance at the international negotiation table.

3) Age and experience are known to affect the negotiation behaviors of individuals.

4) Generalizations about the negotiation style of a region are usually correct.

5) Japan's negotiation style is unique. On almost every dimension of negotiation style considered in a study of 17 countries, the Japanese are on or near the end of the scale.

6) Cultural differences cause four kinds of problems in international business negotiations, and these problems occur at the levels of language, nonverbal behaviors, verbal styles, and values.

7) Cultural differences in nonverbal behaviors are almost always hidden below our awareness.

8) Americans are lacking in foreign language skills more than most countries in international business negotiations.

9) Disagreements among foreign team members, in the form of side conversations, are often followed by concessions to the other negotiating party.

10) Verbal tactics used during negotiations differ vastly across diverse cultures.

11) The variation across cultures is greater when comparing linguistic aspects of language than when the verbal content of negotiations is considered.

12) The Japanese business negotiation style comprises an infrequent use of no and you and facial gazing, as well as more frequent silent periods.

13) The behavior of the businesspeople in Asian countries tends to be similar in style.

14) The style of United Kingdom negotiators is the most aggressive of all cultures.

15) Israeli business negotiators use the lowest percentage of self-disclosure, yet they also use, by far, the highest percentages of promises and recommendations.

16) The British, German, and American businesspeople are found to fall in the middle of most scales for dimensions of negotiating behaviors.

17) Five values—relationships, objectivity, competitiveness, equality, and punctuality—that are held strongly and deeply by most Americans seem to frequently cause misunderstandings and bad feelings in international business negotiations.

18) In the context of international business negotiations, in most places in the world, collectivistic, high-context cultures do not consider personalities and substance as separate issues.

19) Objectivity is key for negotiators working in China.

20) The egalitarian values of American society dictate that American sellers give complete deference to the needs and wishes of buyers.

21) American buyers achieve better results than Japanese buyers.

22) The Japanese tend to emphasize hierarchical relationships that leads to hampered internal communications.

23) When faced with a complex negotiation task, most Asians divide the large task up into a series of smaller tasks.

24) The single most important activity of international business negotiations is summarizing.

25) Due to the great differences in the roles played by women across cultures, gender should be used as a selection criterion for international negotiation teams.

26) Bargaining skill is at the top of almost everyone's list of negotiator traits.

27) Thorough preliminary research eliminates the need for negotiators to focus on key facts to reconfirm at the negotiation table.

28) The first stage of the business negotiation process is nontask sounding, which includes all those activities that might be described as establishing rapport or getting to know one another.

29) Since formality is a way of life in the United States, even the smallest contracts between companies often involves a formal signing ceremony.

30) In high-context cultures, personal relationships are crucial and high-level business executives stay in touch with their foreign counterparts.

31) The Japanese approach to international business negotiations tends to be innovative in spite of their collectivist tendencies.

32) In international business, global marketing strategies are almost always implemented through \_\_\_\_\_\_\_\_ with business partners and customers from foreign countries.

A) telephone conversations

B) face-to-face negotiations

C) video chats

D) mail and courier

E) e-mail

33) Which image is a cultural stereotype that is most likely attributed to American negotiators by foreign business negotiators?

A) cowboy

B) suave, smooth-talker

C) pretentious connoisseur

D) "stiff upper lip"

E) samurai

34) If a negotiator from another country were to label Spanish negotiators as bulls and associate the Swiss with the image of a lamb, these are examples of

A) national icons.

B) linguistic identifiers.

C) social hierarchy.

D) class distinction.

E) cultural stereotypes.

35) When it comes to international negotiation,

A) regional generalizations very often are not correct.

B) the Japanese tend to be in the middle of the scale on almost every dimension of negotiation style.

C) the negotiation styles of the Koreans and Japanese are the same in every dimension.

D) on almost every dimension of negotiation style considered, the Americans are on or near the end of the scale.

E) Asian negotiation styles tend to be collectively similar across all dimensions.

36) Four kinds of problems are caused by cultural differences in international business negotiations: language, nonverbal behaviors, thinking and decision-making processes, and

A) communication channels.

B) values.

C) social responsibility.

D) communication style.

E) stereotypes.

37) On a tour to Australia in 1992, George Bush Sr. flashed the victory sign at the Australian public, with the palm facing inwards, which was considered a rude gesture. This is an example of cultural differences causing problems at the level of

A) thinking processes.

B) values.

C) language.

D) nonverbal behaviors.

E) decision-making processes.

38) When Sandra was negotiating with Jamal, she looked him in the eye and shook his hand firmly. Jamal felt uncomfortable and didn't entirely trust Sandra after that, although he could not actually articulate why. This is likely because cultural differences in nonverbal behaviors

A) are almost always hidden below our awareness.

B) were not important to Sandra.

C) only apply to social behaviors; business behaviors are universal.

D) are less important than verbal behaviors.

E) were not important to Jamal.

39) What is the most common complaint heard from American managers in terms of the negotiation behavior of foreign clients?

A) the insistence on exchanging business cards to establish the rank of the negotiators

B) the overt emphasis laid on punctuality and the tendency to waste time

C) the lack of feedback, positive as well as negative, regarding the negotiations

D) foreign clients and partners breaking into side conversations in their native languages

E) frequent instances of facial gazing and touching that distract their counterparts

40) What is the most likely reason for side conversations among foreign negotiators in their native languages?

A) stalling the negotiations

B) sorting out a translation problem

C) diverting attention from an actual issue

D) sharing secrets

E) gesturing disapproval

41) Which group of negotiators is considered to be the most reticent about giving information about themselves (self-disclosure)?

A) Israelis

B) Canadians

C) Germans

D) Americans

E) Chinese

42) Which culture is considered to be the least aggressive, or most polite, in its negotiation behavior?

A) French

B) German

C) Chinese

D) Taiwanese

E) Japanese

43) Which statement is true about the negotiation behavior of Korean negotiators?

A) They use more silent periods than any other group.

B) They ask the greatest number of questions.

C) They are the most reticent about disclosing information.

D) They use the word no and interrupt more frequently than the Japanese.

E) They use the lowest percentage of aggressive persuasive tactics.

44) The negotiation style of the Russians is found to be quite similar in many respects to that of the

A) Germans.

B) Japanese.

C) British.

D) Koreans.

E) Israelis.

45) Israeli negotiators are most likely to be blamed for the "pushy" stereotype often used by Americans to describe their Israeli counterparts because they

A) interrupt one another more frequently than any other group.

B) use the lowest percentage of self-disclosures.

C) use the highest percentage of promises and recommendations.

D) use the highest percentage of punishments than any other group.

E) use a higher percentage of commands than any other group.

46) Spanish negotiators use a high percentage of commands, as demonstrated by which behavior?

A) extensive use of silent periods

B) highest incidence of touching another negotiator

C) greeting callers on the phone with "diga" (speak)

D) shunning eye contact with others

E) greeting others with a "hola" or "bueno"

47) Which group of negotiators was found to have the most aggressive negotiation style?

A) Spaniards

B) Israelis

C) Americans

D) Koreans

E) French

48) Which statement reflects the American notion of the importance of objectivity?

A) American business is the hotbed of nepotism.

B) Americans place emphasis on economics and performance rather than people.

C) In business, favoritism matters and it is key to a successful negotiation.

D) Americans have little regard for decisions based upon the bottom line.

E) American business is heavily skewed against meritocracy.

49) In Japanese business organizations, subordinates do not share bad news with their superiors. This lack of internal communications can be attributed to

A) the Japanese emphasis on individualism.

B) the Japanese emphasis on hierarchical relationships.

C) the Japanese emphasis on competition and individualism.

D) the insistence on solving problems at the point of origin and not escalating them.

E) Guanxi, the Japanese practice of personal connections.

50) According to foreign negotiators, which negotiation tactic is the most useful when dealing with Americans?

A) offering cutbacks on deals

B) including higher-level executives in talks

C) providing lots of self-disclosures

D) high first-offers, followed immediately with deeply discounted second-offers

E) taking time with the negotiations

51) Which approach is usually adopted by Westerners when faced with a complex negotiation task?

A) dividing the large task into a series of smaller tasks

B) analyzing the task in a holistic manner with foreign and domestic experts

C) discussing all issues at once, in no apparent order

D) making larger than normal concessions in a bid to push the deal through

E) buying time by tackling peripheral issues first, and then tackling the main task

52) What is true regarding the decision-making processes in international business negotiations?

A) Asian negotiators prefer to break up a complex, large task into a series of smaller tasks.

B) The American approach to a complex negotiation task is to discuss all issues at once, in no apparent order.

C) American negotiators tend to make larger concessions after agreements are announced.

D) Americans tackle issues such as prices, delivery, and warranty one at a time, with the final agreement being the sum of smaller agreements.

E) The Western sequential approach and the Eastern holistic approach to decision-making are found to complement each other.

53) What is true of the decision-making process with respect to the American and Japanese negotiators?

A) The Western sequential approach and the Eastern holistic approach are found to mix well.

B) Americans often make unnecessary concessions right before agreements are announced by the Japanese.

C) All issues are discussed at once by the Americans, in no apparent order, and concessions are made on all issues at the end of the discussion.

D) American managers find it easy to measure the progress of negotiations with their Japanese counterparts.

E) When negotiating with the Japanese, Americans find that the progress of negotiations is closely linked to the number of issues resolved.

54) Which statement reflects the decision-making style of the Americans in business negotiations?

A) A business negotiation is an opportunity to develop a business relationship with the goal of long-term mutual benefit.

B) The economic issues are the context, not the content, of the business negotiation talks.

C) A business negotiation is a problem-solving activity, the best deal for both parties being the solution.

D) Business issues are discussed at once, in no apparent order, and concessions are made on all issues at the end of the discussion.

E) Interpersonal and interorganizational bonds take precedence over the bottom line in business negotiations.

55) What do Americans consider to be a signal of progress in a business negotiations with foreigners?

A) absence of questions on specific areas of a deal

B) a hardening of attitudes and positions on some issues

C) a lesser frequency of talk among themselves in their own language

D) higher-level foreigners being included in the discussions

E) decreased bargaining and use of the higher-level and formal channels of communication

56) Fred, a purchasing manager at a department store in the United States, is engaged in negotiations with a Brazilian supplier. What behavior would indicate that Fred has been making progress in the negotiations with the Brazilians?

A) decreased bargaining by the Brazilians

B) the involvement of Brazilian executives of lower ranks to continue the discussions

C) a noticeable decrease in instances of private conversations among the Brazilians

D) questions by Brazilians that focus primarily on the more general areas of the deal

E) a softening of attitudes and positions by the Brazilians on some of the issues

57) What is the first step toward initiating efficient and effective international business negotiations?

A) managing preliminaries such as training and location of talks

B) preparing and manipulating negotiation settings

C) selecting an appropriate negotiation team

D) managing the process of negotiations

E) following up on procedures and practices

58) Global business success is the result of many factors, including

A) standardization rather than customization of negotiation procedures across all cultures.

B) the emergence of the English language as the chief medium of negotiations.

C) increased homogenization of cultures across the world.

D) the availability of large numbers of skillful international negotiators.

E) avoidance of the use of technology in all areas related to business negotiations.

59) Which trait is important for marketing executives involved in international negotiations and technical experts who accompany them?

A) optimism

B) altruism

C) resistance

D) culturally apathy

E) aggressiveness

60) In studies conducted at Ford Motor Company and AT&T, three traits were found to be important predictors of negotiator success with international clients and partners, including

A) ability to function without team assistance.

B) influence at headquarters.

C) appreciation of external factors in negotiations.

D) ability to command attention from an audience.

E) willingness to take on additional responsibilities.

61) Americans often make the mistake of going it alone against a greater number of foreigners in business negotiations. This is likely related to what American trait?

A) collectivism

B) chivalry

C) information-orientation

D) pragmatism

E) independence

62) What factor can get in the way of American team negotiations?

A) cultural heritage of interdependence and collectivism

B) emphasis on careful note taking and training via observation

C) compensation schemes that overly emphasize individual performance

D) preference for split commissions for negotiation teams

E) hierarchical structures of American organizations

63) In relationship-oriented cultures, \_\_\_\_\_\_\_\_ speaks quite loudly in both persuasion and the demonstration of interest in a business relationship.

A) the bottom line

B) profit

C) team strength

D) secrecy

E) rank

64) The single most important activity of international business negotiations is

A) organization.

B) listening.

C) presentation.

D) etiquette.

E) self-disclosure.

65) An international business negotiator's primary job is collecting information with the goal of enhancing creativity. Which step may be taken during a meeting to ensure that the negotiator is able to do his job well?

A) appointing different members of the team to provide self-disclosures and appropriate replies to queries

B) bringing along junior executives for the purpose of training through observation and participation

C) providing additional information to the other party when all the members fall silent during the meeting

D) assigning one team member the sole responsibility of taking careful notes and not worrying about speaking

E) including higher-rank executives and using informal channels of communication

66) Why is it important to bring along a senior executive to an international business negotiation?

A) Influence at headquarters is crucial to success.

B) The flexible position of the organization is indicated.

C) The specific technical details of the deal can be discussed.

D) Information can be collected through note taking with the goal of enhancing creativity.

E) A larger number of nodding heads can reduce influence.

67) \_\_\_\_\_\_\_\_ should not be used as a selection criterion for international negotiation teams.

A) Stamina

B) Maturity

C) Ethnicity

D) Breadth of knowledge

E) Gender

68) In the context of international business negotiations, even in countries where women do not participate in management, American female negotiators are first treated as

A) distractions.

B) ignorant people.

C) inappropriate.

D) foreigners.

E) inexperienced people.

69) With respect to the roles of men and women in international business negotiations,

A) in general, women are more comfortable speaking up in a meeting than men to maintain intimacy with their foreign counterparts.

B) men are more comfortable talking one-on-one than women, owing to the social stigma associated with such practices.

C) the negotiation style of American women is a lot closer to that of the Japanese than that of American men.

D) in countries where women do not participate in management, American female negotiators are first considered incompetent.

E) it is not particularly important for female executives to establish personal rapport at restaurants and other informal settings.

70) In the context of international negotiations, what is found to be lacking in the curricula of most schools of diplomacy?

A) language skills

B) diplomatic history and international relations

C) foreign policies

D) social and diplomatic skills

E) cultural differences in communication styles

71) Ford's program for managers working with Japanese, "Managing Negotiations: Japan," includes

A) classes in the Japanese language.

B) training in overcoming Japanese cultural traits.

C) tapes of past negotiation mistakes.

D) face-to-face practice with Japanese negotiators.

E) rehearsals of upcoming negotiations.

72) What action must be taken by a negotiator before international negotiations begin?

A) asking questions on specific areas of the deal

B) planning concession strategies

C) making concessions before reaching an agreement

D) rushing the foreign negotiator to come to a decision

E) relying only on information obtained from external sources

73) Mike had been negotiating with a Japanese company for distribution rights for five days. He was afraid he was going to lose the contract, so at the last minute he decided to lower the price. They accepted the next day. What mistake did Mike make?

A) He should have come in with a low price at the outset.

B) He should have had a written concession plan before he began the negotiation.

C) He should have given the Japanese negotiators a menu of options including the lower price.

D) He should have avoided all concessions.

E) He should have deferred to his superiors.

74) What skills typically top the list of international negotiator traits?

A) preparation and planning

B) observational and oratory

C) linguistic and social

D) persuasion and intellectual

E) informational and interpretation

75) In Getting to Yes, the notion of \_\_\_\_\_\_\_\_ relates to how power in negotiations is best measured.

A) what you negotiate is what you get

B) a face-to-face communication

C) the best alternative to a negotiated agreement

D) the failure to listen during negotiations

E) a standard for business negotiations

76) Even small companies can possess great power in negotiations if they have

A) little influence at headquarters.

B) a larger negotiating team.

C) more to lose and less to gain from a deal.

D) more good alternatives than their large-company counterparts.

E) the advantage of negotiating in a foreign land.

77) Which aspect of the negotiation setting is an important consideration as it may eventually determine legal jurisdiction if disputes arise?

A) preliminary research

B) communications channels

C) number of participants

D) number of translators

E) location

78) Which statement regarding the physical arrangements of an international negotiation setting is true?

A) Russians prefer to talk to everyone separately, and once everyone agrees, to schedule inclusive meetings.

B) Japanese tend toward a cumulative approach, meeting with one party and reaching an agreement, then both parties calling on a third party.

C) In high-context cultures, the physical arrangements of rooms are taken casually.

D) Americans tend to want to get everyone together to quickly reach an agreement even if opinions and positions are divergent.

E) Americans adopt a formal approach to seating and room arrangement.

79) Which method is the most efficient way to communicate with clients and partners in places like Mexico, Malaysia, and China?

A) conversation over a long dinner

B) negotiation through video-conferencing

C) conversation over a phone call

D) negotiation through e-mail

E) negotiation with lower- and mid-ranking executives

80) Which aspect of international business negotiations is considered to be the most difficult?

A) agreeing on the number of participants in the negotiation

B) finding the best alternative to a negotiated agreement

C) actual conduct of the face-to-face meeting

D) deciding on the location and physical arrangements

E) selection of the appropriate negotiation team

81) \_\_\_\_\_\_\_\_ includes all those activities that might be described as establishing rapport, but it does not include information related to the "business" of a meeting.

A) Persuasion

B) Concessions and agreement

C) Negotiation setting

D) Task-related exchange of information

E) Nontask sounding

82) An American buyer is negotiating with a British supplier for the purchase of raw materials for production of heavy machinery in the United States. Before exchanging any information pertaining to the business of the meeting, he spends a few minutes talking to the British negotiator on topics such as World Cup soccer, the recently concluded general elections, and the English weather. The American buyer is engaging in the first stage of a business negotiation known as

A) chit chat.

B) nontask sounding.

C) setting an agenda.

D) assessment of business terms.

E) appraisal of current affairs.

83) What is one of the objectives of engaging in nontask sounding?

A) determining if a client's attention is focused on business

B) obtaining negative feedback on information supplied

C) draining information from one's negotiation counterparts

D) handling objections

E) preventing loss of face

84) What aspect of nontask sounding most likely differs between the Americans and the Chinese?

A) topic of discussion

B) determining the trustworthiness of a client

C) learning about the culture of a client

D) duration of the nontask sounding process

E) goals and objectives

85) Which method can be used to minimize the inevitable errors that crop up while exchanging information across language barriers?

A) using silent periods more frequently

B) prolonging the duration of nontask sounding

C) using more promises and recommendations instead of threats and warnings

D) agreeing to use a common language for communication

E) using multiple communication channels during presentations

86) \_\_\_\_\_\_\_\_ negotiators are often reluctant to voice objections during negotiations lest they damage the all-important personal relationships.

A) Mexican

B) American

C) German

D) British

E) Israeli

87) \_\_\_\_\_\_\_\_ negotiators are more likely to provide brutally frank negative feedback to foreign presenters.

A) American

B) Japanese

C) Chinese

D) German

E) Mexican

88) In business negotiations, the most powerful persuasive tactic is to

A) provide more promises and recommendations.

B) enforce more punishments and use more commands.

C) use more self-disclosures.

D) ask more questions.

E) offer more rewards and normative appeals.

89) What is one of the two obstacles to inventive negotiation techniques for Japanese negotiators?

A) individualism

B) civility

C) frankness

D) hierarchy

E) relative integration

90) What step should be taken once negotiators have "gotten to yes" in order to generate new ideas and improve the business relationship?

A) change the provisions of the signed contract.

B) conduct a formal signing ceremony.

C) schedule a review of the agreement.

D) maintain a flow of communication through letters.

E) push for signing of the next business deal.

91) Explain the meaning of this sentence: Negotiations are not conducted between national stereotypes.

92) What are the four kinds of problems caused by cultural differences in international business negotiations? Give examples of how misunderstandings could occur for each one.

93) Give a brief description of the styles of negotiation of the Japanese, the Koreans, and the French.

94) Compare and contrast approaches to complex negotiation tasks between Westerners and Asians.

95) How should American businesspeople approach the decision-making process in negotiations with their Asian counterparts? What are the important signals of progress in a business negotiation?

96) Name three traits that are important when selecting international business negotiators, and explain why how these traits may increase the chances for success.

97) Name three reasons why team work is particularly important for American negotiators.

98) List the seven aspects of the negotiation setting that must be manipulated ahead of time, if possible.

99) Compare the American and Japanese approaches during the four stages of business negotiations.

100) What is the importance of follow-up communications and procedures in international business negotiations, and what are some ways to manage this?