

BUSINESS NEGOTIATIONS BETWEEN THE ROMANIANS AND THE JAPANESE - A CROSS-CULTURAL PERSPECTIVE -

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Abstract

The present article explores the cultural and communication parameters of both Romania and Japan with the purpose of finding the main cultural barriers that can become potential sources of conflict at the negotiation table. Particularly, what are the profiles of the Romanian/ Japanese negotiator and how culture impacts on business people's behaviour. The methodology used covers two empirical methods: a qualitative survey, with data collected from expert interpreters with first-hand experience in the negotiation field; and a case study, with an in-depth analysis of a failed negotiation between a Romanian and a Japanese company. Findings suggest that, although there are huge differences between the two cultures, they can be overcome by preparing thoroughly and keeping an open mind to other cultures' peculiarities.

Keywords: cross-cultural business negotiation, cultural barriers, sources of conflict, the Japanese negotiator's profile, the Romanian negotiator's profile

Introduction

In the last two decades, Japan's struggle to become *ichiban* or number one in the economic world has led to an increase of interest from Romania's part towards doing business with the Japanese and understanding this whole new and 'strange' culture. This initial enthusiasm dampened as Romanian business people rushed (or at least tried to rush) into business ventures with the new partners, only to realise that the Japanese people's way of thinking is 'twisted' and their feelings 'impossible to read'. More and more, it became apparent that the early overlooking of differences only contributed to a growing mistrust, misunderstandings and communication breakdowns, with serious consequences in business dealings. Research in the matter has made it clear that success in cross-cultural business negotiations involves both understanding the cultural framework of those you do business with and your own culture alike.

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Thus, this present article aims to develop an understanding about Japanese and Romanian cultures alike by analyzing some of the cultural dimensions provided by Edward. T Hall (1959), Geert Hofstede (2005) and Brooks Peterson (2004) and ventures an opinion on whether these ‘stipulated’ opinions are still up-to-date to today’s reality. In the second part, the article attempts to sketch the profile of a typical Japanese/ Romanian negotiator and to discover the main causes of potential conflicts between the representatives of the two countries. The empirical research adopted for this section was a qualitative survey, with data being gathered via professional interpreters, who were asked about their first-hand experience during negotiations between Romanians and Japanese businesspeople. The final part follows a case-study of a failed negotiation between two teams, Romanian and Japanese, with the main reasons for the breakdown in communication. Finally, the conclusions will be presented.

Culture and communication traits

According to Tanja Fub, “when encountering unfamiliar behaviour in foreign interaction partners, many people automatically assume a fault in character as the cause, never considering that the other person might act according to a different value system, which is neither inferior nor superior to one’s own” (2005: 9). To avoid animosity and misunderstanding, Peterson (2004) recommends an increase in one’s cultural intelligence by acquiring more knowledge about the said culture and developing one’s awareness, empathy and tolerance towards others.

In the quest of better explaining the concept of ‘culture’, the analogy of the onion (Fons Trompenaars, 1993; Geert Hofstede, 1980) was used to describe it, which basically means that there is a visible part and an invisible/ deeper part, which requires cultural awareness and intelligence. “Culture comes in layers, just like an onion. To understand it you have to unpeel it layer by layer” (Trompenaars, 1993: 6).

The first layer is noticeable to the eye (manners, fashion, language, artifacts and products), so it is basically what one immediately sees. It is followed by the second layer of norms and values, or what one considers to be right or wrong and the inner layer which is implicit and difficult to identify and which shelters the key beliefs and assumptions about the world.

The analogy of the onion can be taken a step further, when thinking about the properties of an onion. I think it is safe to say that there is no person alive to have tried chopping an onion, who has not felt the sting of the ‘onion tears’. However hard it might be to chop an onion, it is a key ingredient that adds flavor to the majority of dishes. As mundane as this example may seem, it does illustrate an essential part about culture in that it is not an easy task to discover the true layer, the true foundation for every gesture, utterance and undertaken action. A businessperson may encounter a lot of hurdles before managing to understand a

Japanese or a Romanian, yet, when he/ she has managed to achieve that crucial understanding of the other's culture values, norms and basic assumptions about existence, the rewards will far exceed the hardships

Edward T. Hall, Geert Hofstede and Brooks Peterson

For the purpose of this article, different cultural dimensions were considered, developed by Edward T. Hall (1959), Geert Hofstede (2005) and Brooks Peterson (2004). Based on the dimensions provided by Edward T. Hall, Romania and Japan are both high-context cultures, and a mixture of monochronic and polychronic, which makes them more similar than divergent. The first differences appear when taking into account the cultural dimensions devised by the American cross-culturalist, Brooks Peterson: **rational/ emotional, physical space, comfort with silence, flow of conversation**. Thus, Romanian style is somewhere towards the emotional side. They pride with them being a Latin country and an island which has kept its authentic Latin traits in an ocean of Slavic culture and influence. The Japanese value emotions, but consider them better kept hidden, for they belong to the private rather than the public self. This slight difference in communication can bring confusion at the negotiation table, as the Japanese might regard the Romanian as too intense and emotional when making their points and the Romanians might see the Japanese as a cold and unreadable party.

In the aspect of **physical space**, Japanese people tend to keep their distance and allow more vast physical space between them in interpersonal conversations. They will feel that their space has been invaded in interactions with Romanians, who have closer interactions and nearer distances. The biggest difference between the two cultures though is the **comfort** (or lack of it) **with silence**. Romanians feel comfortable with short pauses during a meeting or conversation, an average of five seconds of silence. More than this and a Romanian feels pressured to talk in order to fill the voids in the conversation. The Japanese, on the other hand, are notorious for their long silences during negotiations. In negotiation, a culture that avoids silence and feels uncomfortable with it is at a disadvantage because the negotiators might feel pressured to readjust their offer when the first one was met by silence, as it can be seen in the case study analysed in this paper.

As stated above, the work of Geert Hofstede was also considered in analyzing the similarity and divergence of the two cultures. See figure 1 for the scores calculated by Hofstede (2005). According to him, Romania has a significantly larger power distance, is less individualistic and much more feminine than Japan, while it scores almost the same on the uncertainty avoidance dimension scale.

This paper argues, however, that a post-communist Romania is far different from its communist counterpart, as the fall of the communism has led to a complete acceptance of capitalism values and, by definition, of the American ways of doing things.

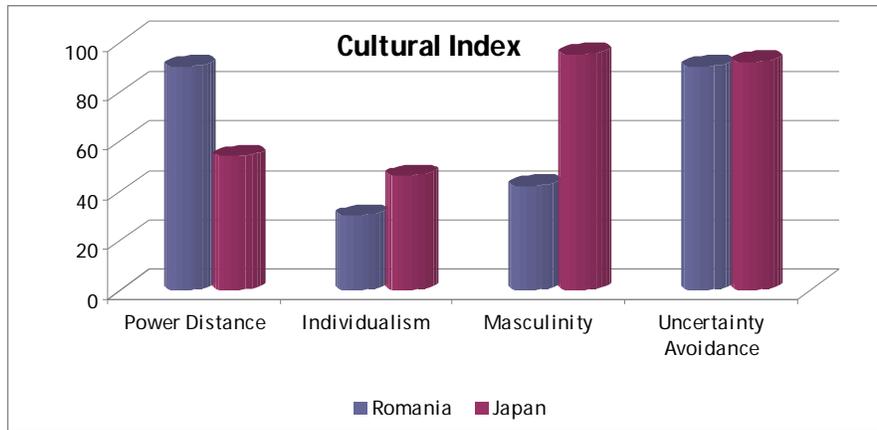


Figure 1. Cultural Index for Romania and Japan, according to Hofstede

More and more young managers and employees are reluctant to accept Hofstede's score for nowadays society and way of conducting business in Romania. As a result, I devised 5 questions, which were then circulated among 30 people (aged from 20 to 41) from different companies (altogether a number of 4 companies), asking them about their Romanian managers in order to assess power distance inside Romanian companies. The given responses indicate clearly that Romania's power distance is significantly lower than the one appointed on Hofstede's index. It is true that this short survey is by far too insufficient to reassess Romania's position on Hofstede's list, but it does hint at the fact that things are rapidly changing in Romanian culture or at least in a few companies.

Going next to **individualism**, the same post-communist reality applies in Romanian culture. It might still be too early to consider Romania an individualistic society, but it made its way halfway there. Romanians have become "like peas on a plate", whereas the Japanese are "like rice in a bowl" (Wagatsuna Hiroshi in Yamada, 1997: 6).

A couple of years ago, a Japanese manager of a Japanese company in Bucharest complained to me about the high staff turnover among Romanian employees in their company. It was incomprehensible for him how a Romanian graduate could give up his/ her job so easily rather than put up with what the Romanians perceived as 'harshness' from the employers. Japanese employees identify themselves with the group/ organization, because they strive to belong and to co-exist harmoniously inside the groups. When asked "what do you do?" a Japanese is more likely to say: "I work for publishing house YZ" rather than "I am a journalist". Proofs of collectivism can be seen in all aspects of Japanese daily life. Take, for example, the Japanese custom of sharing a bathroom, despite the westernization of their homes.

In the evening, the bathtub (*ofuro*) is filled with hot water, and members of a family take turns to using it.

In terms of **masculinity/ femininity**, Romania scores 42 in MAS, thus figuring as a feminine culture. Nevertheless, more and more young people (men and women alike) struggle to earn more money for the sake of a better livelihood. This is a masculine trait, where more money is preferred over more leisure time. Romanians spend more and more hours at work, and even though extra hours are never forced upon employees, there is a peer pressure in companies to prolong working hours

The context of Japanese communication

Japan finds itself in the position of the stronger party, and, although achieving intercultural competence is a basic requirement to be fulfilled by business negotiators, the Japanese do not necessarily feel the pressure of adapting themselves to the culture they deal with. In this respect, Romania is at a disadvantage, the weaker party that does not afford to lose important business deals with the Japanese. That is why the Romanians face a more difficult task: to persuade the Japanese of their worthiness as business partners and make the visible effort of breaking through the cultural differences between the two countries. For this reason, this paper focuses solely on the parameters of Japanese communication.

➤ **Uchi – soto dichotomy**

Uchi refers to something ‘interior, private, hidden’ as opposed to *soto* which points to the ‘exterior, outside, something public and exposed’. In Japanese society, people belonging to the same group are *uchi* and everything outside the group is considered *soto*. The following example is not taken from the negotiation world, but it does clarify how Japanese regard relationships, in terms of these two concepts. During my stay in Japan, I befriended Mrs. Aiguchi, a Japanese housewife. She once asked me about my spouse and, as any Romanian, I talked in a very good manner about him and even praised him for some of his qualities. To return the favour, I asked Mrs. Aiguchi about her husband. Her reply was completely different from mine; she talked about his flaws and his not so good looks. I was very surprised until another Japanese acquaintance explained that one’s husband is part of one’s *uchi*, which means that when talking about one’s spouse, the Japanese person is talking about herself/ himself. The way I talked must have surprised Mrs. Aiguchi as well, because, in her own way of thinking, I was boasting and singing my own praises.

In business, if one belongs to *soto*, it is very difficult to gain the trust of a Japanese businessman. For this reason, dealings are always slow; it takes time for a Japanese to come to know a potential business partner and to consider him as part of *uchi*.

➤ **Amae (dependency)**

Amae is a concept devised and developed by Takeo Doi (1971), who defined it as “the reciprocal feeling of nurturing concern for and dependence on another, in practice, there is one interdependent who indulges himself in the *amae* (*ameru*), and another interdependent who obliges (*amayakasu*)” (Takeo Doi, 1971: 29). In the introductory stages of negotiation, the Japanese like to find out more about the others in order to determine how much *amae* (directly proportional to how much trust) can be developed between the parties for a successful business relationship.

➤ **‘Hai - Yes’ vs. ‘Iie - No’**

In an attempt to keep the *wa* (harmony), the Japanese rarely employ directness in interaction. Their use of ‘yes’ is very different from the one Romanians have, and its meaning varies from: “I’m listening to you”, “I understand what you’re saying” to “uh-huh”.

In negotiations, when the Japanese say ‘yes’, in most cases they are just being polite. If the Japanese say “We agree/ we accept”, then the Romanians have got an agreement; if the answer is just a ‘*hai*’, the discussion is hardly finished, no matter what the Romanians might think. *Iie* (no) is hardly ever used by the Japanese, instead they can choose from a variety of expressions that say ‘no’ indirectly. A direct negation is avoided because it might hurt the opponent, threaten his social face and damage relationships; thus long silences and such phrases may be used. Foreigners are often misled by this softened ‘no’ and mistake it for ‘yes’. The incident between former Prime Minister Sato and ex-President Nixon is famous in this sense. Prime Minister Sato said “*zensho shimasu*” (I’ll try my best) in connection to changing the practice of Japanese textile exports to the U.S. President Nixon understood by this ‘yes’ and was later disappointed to find out that nothing had changed. The misunderstanding came from the expression ‘I’ll do my best’, which in America usually means that everything will work out. In Japan, the meaning is ‘I’ll do my best, but probably I won’t succeed’.

Qualitative Survey Analysis

Based on the concepts that I have analyzed so far, I wrote a five-question survey (see Appendix), which I then sent to a number of expert interpreters with valuable experience in the field of business negotiation. Their direct experience gives valuable insights in the world of negotiations and validity to their claims.

The first two questions are meant to discuss the profile of the Romanian and the Japanese negotiators and to discover their weaknesses and their strengths. In order to respect the confidentiality of the two interpreters who took an interest and responded to the survey, I will refer to them as R1 and R2. R1 believes that the

main strengths and weaknesses of the Japanese negotiators are actually the same, more precisely: *over-analytical behaviour* and *lack of trust*. In other words, the Japanese business people's tendency to over-analyze can be wrongly interpreted as feet-dragging in a negotiation, when, in reality, it is a simple case of high intolerance to risk. R1 identifies as the second weakness the Japanese's lack of trust and she even calls the Japanese negotiator the 'warrior negotiator', who treats everybody with caution and wariness until they become part of the *uchi* dimension. At the same time, these weaknesses are the strong points of the Japanese negotiators in dealings with Romanian businesspeople. R1 believes that the Romanians have a 'foreigner cult' and enjoy the feeling of being connected to 'rich cousin cultures' (America in the West, Japan in the East), welcoming and accepting their cultural differences, and sometimes terms, unconditionally. This is one of the reasons why the negotiation analyzed in the last part of this paper, between the Japanese team and the Romanian team, ends in failure. The Romanians, in an attempt to please their Japanese counterparts, change their position almost in mid-sentence, which completely backfires as it is perceived by the Japanese as a weakness.

R1 concludes by saying that the Romanians 'are more inclined to act on impulse, gut-feeling when they see a business opportunity and will analyze risks later'. Thus, by being over-analytical, the Japanese will negotiate a better deal and will adopt 'defensive cautious techniques', whereas the Romanians will trust their counterparts implicitly and will not adopt such tactics.

R2's answer is not that different from the first correspondent, as she distinguishes *lack of flexibility* as one of the weaknesses inherent in the Japanese negotiator. This is again caused by a low tolerance to risk and a slow acceptance of other people (from the same or different cultures) in the *uchi* trusted category. According to R2, Japanese negotiators also demonstrate *a poor understanding of cross-cultural peculiarities*, which only adds to their inflexibility and explains their poor communication skills when dealing with *gaijin* (foreigners).

In terms of strengths, R2 identifies *patience* and *composure*. This supports the findings of the previous section, which argues that the Japanese do not betray their emotions (Peterson's rational/ emotional dimension) and that they win by 'wearing the opponent down' rather than just employing offensive techniques.

Turning towards the weaknesses of the Romanian negotiator, R1 enumerates *lack of preparation*, *lack of awareness of the risks ahead* and *inability to work in a team*. The first two are actually connected, as poor preparation will ultimately lead to unawareness towards the risks that lie ahead. The third shortcoming is also evident in the case study where the Romanian team does not present a 'united front' and even seem to function as individuals working inside a group just happening to have the same goal, rather than a team with a consensus of opinions.

There is more likely for conflict to appear inside the Romanian team, R1 affirms, which will 'weaken the Romanians' sound judgment to the benefit of the Japanese.' R2's answer strengthens this viewpoint, as she considers Romanian negotiators *superficial in their preparation and behaviour and impatient*. These are indeed the most common mistakes done by the Romanians in dealings with the Japanese, and the latter take full advantage of the situation. Any sign of emotion and loss of control is deemed as a weakness from the Japanese's viewpoint and they will continue to press the same 'buttons' until their opponents give in. This tactic sometimes backfires as it may end in a total communication breakdown (as in the case study to follow).

When describing the Romanian negotiators' strong points, both R1 and R2 share the same belief: Romanians are *intuitive, flexible, with a high capacity of improvising, accommodating and eager to please*. These skills sometimes become hurdles in negotiations with the Japanese, because the Romanians' ability to adapt and improvise can be seen as weakness to be exploited or a further proof that Romanian negotiators are shallow and, therefore, unreliable. On the other hand, Romanians will be 100% committed to do a good job, so that they can feel proud in the end.

Question three addresses the issue of the main possible cause for negotiation breakdown when doing business with the Japanese. R1 states that, although she is not aware of any such examples of negotiation failures, the main reason is that the 'Japanese may not be willing to put up with the Romanians' weaknesses' presented above. R2, on the other hand, believes that the main cause is that the 'Japanese are ready to go at any length to have their way and prove to be quite inflexible'. This statement fully supports my opinion that the negotiation to follow ended in collapse as the Japanese were too inflexible to accept any other viewpoint apart from their own.

In the last question, the interpreters were asked to confirm that Japanese people do not use direct negation in business dealings. Both R1 and R2 confirmed the Japanese avoidance of a direct disagreement, and denounced – at the same time – the frustrating and maddening Japanese practice of maintaining a positive attitude throughout the entire negotiation: nodding in agreement all the time, and in the end, pretending they have not understood a certain aspect.

Overall, based on the answers of the two interpreters, one can deduce that Japanese and Romanian negotiators behave quite differently at the negotiation table, and that weaknesses and strengths change or lose their (in)efficacy when dealing with a different culture from your own. In other words, one's strengths can be one's downfall when dealing with a culture that perceives them as weaknesses rather than strong points and the other way around. Despite the obstacles in communication and differences in behaviour, successful negotiations can be achieved with a little

more preparation from the Romanian part and a little more flexibility from the Japanese side.

The case study of a Romanian-Japanese negotiation

The negotiation dealt with the sale of a large number of digital cameras by the Japanese company to the Romanian one, over a period of 3 years. Mr. Daniel Iacob, the vice president of the marketing division of the Romanian company, was selected to conduct this negotiation, due to his experience in dealing with other cultures, mostly American. The Romanian team arrived at the Japanese company 15 minutes prior to their appointment, which is very fortunate as Japan is a monochronic culture when doing business and punctuality is highly valued.

The meeting starts with everybody introducing themselves, shaking hands (the Romanians) and bowing (the Japanese). Mr. Iacob is the only one who bows instead of shaking hands. Nevertheless, the Japanese do not seem bothered by this, as in some cases they were the ones to offer their hands after bowing in front of the Romanian party. After the first introductions are concluded, the Japanese move on to the next logical step in the negotiation: rapport building. In this respect, both countries are relationship oriented and take time in small 'chit-chat' as an ice-breaker in the business meeting. However, the Romanian and Japanese definition of small talk differs in length. The Romanians are ready to give an answer to Mr. Yamada's question, but Mr. Dima considers the question "Are you tired?" as the perfect opening that leads into the business transaction itself: "Thank you for your concern. We are more than ready to discuss and we wanted to start with the letter of the 18th... What we would like to know..."

The Japanese considered this abrupt interruption of phatic communication as an outright refusal of *amae*. In the introductory stage, the Japanese try to find out how much *amae* (interdependence) and, of course, trust can be developed in the future business relationship. If *amae* is denied, there is little chance for trust to be established between the parties. Also, *amae* is closely linked to the *uchi* dimension, or, in other words, how quickly (if ever) the business partners will stop being outsiders (*soto*) and become part of the inside (*uchi*) group.

From then on, things seem to go from bad to worse. A middle ground of understanding cannot be settled, and the Romanian team monopolizes the conversation, in a feeble attempt to make the Japanese disclose their position and their thoughts.

All throughout the negotiation, the Japanese seem to employ avoidance strategies, by keeping silent and waiting before acting (*wait and see*). They refuse to make eye contact, their faces being down turned, with long silences (from 30 seconds up to 2 minutes) to express disagreement or to simply consider the proposal. At first,

the Romanians are under the impression that they did not make themselves properly understood, so what they do is to keep repeating and rephrasing the first request, waiting for an answer. When the Japanese's response is still to remain silent, the Romanians fall into the trap of readjusting their position. This quick concession on their part does not help their position, for it only reassures the Japanese that the price they offer can still be negotiated and increased in their favour. Therefore, seeing that their strategy is working, the Japanese continue to do what they do best: *wait and see*. The Romanians, instead of waiting out the Japanese negotiators' periods of silence, pressure them into giving an answer, any kind of answer at this point. The Romanians are obviously uncomfortable with such long periods of silence and this puts them at a disadvantage, while the Japanese will fully take advantage of their discomfort and need to fill the voids in the conversation. From the Japanese perspective, they are just trying to keep the *wa* (harmony) in balance, which means they avoid saying 'no' directly, out of concern for the social face of the other party. Thus, they give very vague 'yes', which does not express agreement but only commitment for the interaction, like in the example below:

I (Romanian): Can we assume then that we have reached an agreement concerning the cost per unit for the changes in specifications?

T (Japanese): uhm, yes.

The Romanians mistake their 'yes' for agreement, but if the Japanese 'yes' is not followed by immediate and concrete action, then the discussion is far from being finished. At no time during the interaction do the Japanese say 'no'. It wouldn't be polite and 'no' does also have the power to ruin a business relationship. However, the Romanians would gladly have taken a direct 'no' instead of the 'cold shoulder' they feel they have received. When forced to give an answer, Mr. Yamada formulates his negation with an expression: *Shikashi genzai de wa ima totemo konnan desu yo* (But, it would be very difficult at this moment...) meant to soften the implied 'no' and to save the Romanian team from disappointment and face loss.

The Romanians feel that they are getting nowhere, so they make use of the tactic take-it-or-leave-it. By giving an ultimatum, the Romanians expect a straightforward answer; it is more a desperate tactic as they have reached a limit, whereas the Japanese seem unruffled. However, intimidation tactics do not work on the Japanese and we can see this clearly in the Japanese response:

I: Ok, final offer, -sigh- we can go up to 264\$. No more than that. Is this agreeable?

Y: We need more time to think about it.

This last halt of the proceedings convince the Romanians that they cannot achieve their goals and result into negotiation breakdown:

I: To be honest, I am quite disappointed we have reached this point, but...

The Romanians stand and after shaking hands, leave the room.

I: Thank you. Have a good evening.

There were several mistakes made in this negotiation. First, the Romanians acted less as a team than the Japanese. They seemed to take decisions individually, while the Japanese conferred every time there was a new issue raised. Secondly, both cultures observed more their own norms and showed a lack of tolerance towards the other party's culture (the Romanian discussion about fairness because business is done in a certain way in Romania; the Japanese refusal to move to a first-name basis). Thirdly, the Romanians' discomfort with silence put them in a very disadvantageous position as the Japanese manifested this behaviour all throughout the negotiation. As a result, they continued to change their position and make concessions just to cover the long moments of silence. The Romanians appeared to be fickle because of the frequent change in position and requirements.

If we look at the cultural dimensions discussed above, we will see that the Japanese and the Romanians did indeed behave accordingly. For example, the Japanese presented a united front, a team with the focus on the group rather than the individual. In comparison, the Romanians were less organized, more individualistic, each eager to assert himself.

Both cultures are considered high-context countries, but the Japanese go a step further in indirectness, whereas the Romanians use indirectness mainly as a politeness strategy. They are rather straightforward when it comes to business, when compared to the Japanese. Also, the Romanians were downright emotional against the cool attitude displayed by the Japanese, whereas the Japanese were reserved and did not betray any feelings until the end. There was a single instance in which the Japanese displayed any kind of emotional response. At some point, Mr. Yamada gives a very audible sigh, which should have told the Romanians that discussing business matters over dinner and drinks was inappropriate.

The Romanians sometimes interrupted their opponents, which was perceived negatively and punished accordingly through more silence, whereas the Japanese did not overlap or latch even once.

The Japanese were careful not to threaten the other party's face; thus, they avoided saying 'no' directly and preferred to remain silent than to give a direct refusal. Still, with apparently no employed tactics, except the use of silence and persistence, the Japanese systematically wore down their opponents. The negotiation failed and nobody won. Despite the apparent reluctance the Japanese showed in their dealings with the Romanians, they were open to doing business with the Romanian company, otherwise they would not have invited them to Japan to conclude their business. The Romanian team was clearly the one with less power in the

negotiation game, they were on the Japanese turf and the fragile economic and political status of Romania makes it a high risk for business dealings. However, this was not the reason the negotiation failed. The real reason was a failure to understand the Japanese culture and to reach that cultural awareness and intelligence necessary for a successful business negotiation. One could also argue that the Romanians did not prepare themselves thoroughly for the contact with the Japanese, but relied on the strengths they knew they possessed. The Romanians pride themselves with their flexibility, but this was seen as a weakness by the Japanese and treated them with distrust for their ability to change their minds so rapidly. The Japanese share part of the blame as well: they proved to be intolerant to understanding a culture different from their own and exhibited quite an ethnocentric and inflexible position. The others have to adapt to their way or no business deals can be reached.

Conclusions

In the last two decades, there has been an increase in business dealings between Romania and Japan, which did not always result in satisfactory outcomes for the parties involved. In most cases, the main cause behind the conflict can be traced back to cultural differences and ethnocentricity. Between the two cultures, Romania holds the weaker position at the negotiation table (the David in the 'David and Goliath' tale) and is usually very eager to please its rich cousin by adapting its position. This can backfire and plunge Romanian teams on an even weaker position, as the Japanese regard such behaviour as shallow and unreliable.

The main aims of this paper were to develop further understanding of the Romanian and Japanese culture, to explore the possible cultural causes for conflicts and to give a brief sketch of the Romanian/ Japanese negotiator's profile. For this purpose, there were two empirical methods employed: a qualitative survey, gathering information from expert interpreters with valuable experience in the negotiation field and a case-study analysis of a failed negotiation between a Romanian and a Japanese company.

According to Hofstede (2005), on the cultural index, the two cultures are not that different and, most interestingly, Romania is considered to be more collectivistic and with a higher power distance than Japan. This paper argues, however, that there is a huge gap between the generations before the fall of communism and the ones post-communism. Overnight, Romania has adopted the American way of seeing things and emulated every aspect pertaining to the business sector, because the American way has proven successful in such matters.

Based on the communication traits discussed, this study draws the following implications. In Japan, there is a clear difference between *uchi* (the inside group) and *soto* (the outside group). It may take years to move from *soto* to *uchi*, despite

the initial heart-warming welcome every Japanese extends to foreign businesspeople. Also, Japanese people take offense easily, which delays even more the process of gaining their trust. The concept of *uchi* is strongly connected to that of *amae*, the need for dependency and failing to establish *amae* will lead to distrust and suspicion. This can be seen in the case study, where the Romanians failed to fulfill the Japanese's need for *amae*.

The Japanese use of 'yes' and 'no' is very different from the Romanian one. *Hai* (yes) usually means: 'I'm listening to you, so go ahead' and not agreement, while *iee* (no) is hardly used in order to preserve their own and their partner's social face. Losing one's face is to be avoided at all costs and it can be triggered by many factors, even showing emotions.

During negotiations, the Japanese use defensive rather than offensive tactics. Most of the time, they win by wearing down their opponent and not by 'striking any winning moves'. Sheer patience is their strong point and use of silence is almost like a weapon that confuses and frustrates the unsuspecting foreigner.

Thorough preparation is the key for a successful business relationship between the two countries and the lack of it will result in communication breakdown. The major mistake during this negotiation was the superficiality with which Romanians treated the rapport-building phase of the meeting. It was the beginning of the end and everything started to roll down in the wrong direction from then on. The second serious mistake was the Romanians' inability to cope with long periods of silence, which lead to concessions being made without cause. Moreover, the Romanian team lost face by giving in to their emotions and frustrations, instead of just waiting out the Japanese negotiators' periods of silence. The Japanese, as well, share part of the blame. Their inflexibility and intolerance to another culture played significant roles in the collapse of the negotiation. Japanese businesspeople, however, will always expect the other party to adapt to their own, and offer little help in the process.

In conclusion, there are many alien aspects encompassed in the Japanese culture, which sometimes makes it impenetrable to other cultures that are interested in doing business with Japan. However, these obstacles can be easily surpassed when one acquires cultural intelligence. And the first steps towards cultural intelligence are tolerance towards the peculiarities of another culture and thorough preparation regarding the said culture. As a matter of fact, obstacles in Japan "are created not so much by *closed doors* as they are by *closed minds*" (Steinman et. Al., 1992: 101 cited in Fub, 2005: 115).

The findings from this study make several contributions to the current literature, by adding my personal experience and that of others with relevant first-hand knowledge in the field of negotiation. Furthermore, this paper is one step further

towards filling the existing void in the literature regarding Romanian culture and businesspeople, as the existing one is no longer up to date to the realities of the post-communism Romania. However, this research paper was limited by the restricted sample obtained for the investigation, as negotiation is characterized by a high degree of confidentiality and there were few businesspeople willing to discuss the details of a negotiation. As a consequence, further research should be concentrated on the investigation of the profile of the Romanian negotiator and the Romanian culture emerging after the fall of communism.

Appendix

Qualitative Survey

1. Name 2 weaknesses and 2 strengths of the Japanese negotiator/ businessman.
 - Weaknesses:
 - Strengths:
2. Name 2 weaknesses and 2 strengths of the Romanian negotiator/ businessperson.
 - Weaknesses:
 - Strengths:
3. In case of a failed negotiation, what do you think would be the main cause for negotiation breakdowns when dealing with the Japanese?
4. Have you ever been confused, when translating, by the many nuances of the Japanese language? If so, can you describe the situation in 1-2 sentences?
5. Is it true that Japanese do not say 'no' directly in business dealings?

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