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First, a negotiator has to take into account the individuals involved. For example, an American that invites the Chinese counterpart out to dinner because the American believes that's culturally correct may miss the signals that the other person wants to go home early to see his or her child before bedtime. Both are trying to accommodate each other, and yet they both end up doing something they did not want to do. Group information should be treated as a theory to be tested and not as a fact. Many Chinese businesspeople have spent significant time in the United States for education or work, which means they have already negotiated with Americans on American cultural terms. Learning the individual's way of thinking and preferences is as imperative as the cultural information.

Second, a negotiator needs to look at the dynamics and context of the specific situation. Knowing the roots of each other's culture is important. But the ways in which an individual uses that information is as important. Neither side usually expects the other to abandon his own culture when entering into a negotiation. It is not assumed that either side gets every cultural nuance right. Both sides must adjust to each other and to unique values and protocols that exist in various business sectors. In a sense, the negotiation is not just over the deal and the relationship; the parties must negotiate how they negotiate with each other.

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**HBR Spotlight: China Tomorrow
The Chinese Negotiation**

John Graham and N. Mark Lam's article "The Chinese Negotiation" (October 2003) provides necessary cultural information for Americans negotiating in China. However, Americans can run into danger if they treat this advice as a list of cultural how-tos. How to interact and communicate given that cultural background is just as critical as the information itself. Otherwise, that background information is reduced to fortune-cookie wisdom. Distinguishing American and Chinese views so starkly can breed an us-versus-them mentality. Variations in emphasis, expression, and degree exist, but individualism and collectivism are two halves of a whole in both America and China. At least two cross-cultural fundamentals must be in the mix to successfully negotiate in China.

John Graham and N. Mark Lam respond: Thank you for your useful insights. We agree with your comments. Of course, as important as they are, cultural differences do not explain all the interesting variations we see in negotiations between Americans and Chinese. Individual and contextual differences such as you describe frequently play crucial roles as well. Indeed, we discuss in detail such important topics in our forthcoming book, *Red China, Green China*. ☺