

Business Activity under the Impact of Business Negotiation in Multicultural Contexts

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Abstract

As far as the conduct of business is concerned, there is an increasing preoccupation with understanding the complex environment where economic actors carry out their activities. This growing preoccupation manifests itself both in the theoretical area of interest, but especially in the practical one. In order to achieve the objective related to the efficiency of financial results, as well as in order to fulfill social responsibilities, companies organize the production of goods or the provision of services, deal with sales and marketing activities, respectively with post-sale service in a context that involves, nowadays, elements of multiculturalism. In the present article the authors propose to approach the world of business in the stages of the negotiation conduct under the imprint of multiculturalism elements. When companies internationalize their business, they meet new challenges related to the sphere of cultural differences (language, values, customs, behaviors, beliefs, etc.). Cultural differences and customs regarding the conduct of negotiation can generate different results. Understanding these aspects is fundamental for companies' management and for companies' negotiation teams that must demonstrate not only professionalism from the economic point of view, but also a deep knowledge of these elements related to the social sphere. The applied section of this article consists in a questionnaire addressed to ninety students of the Bucharest University of Economic Studies. By means of this questionnaire we have been able to find out how familiarized with the issue of multiculturalism at the workplace (or internship, or educational context) our economic students are. The seven question survey focuses on the students' perceptions on the importance of multicultural knowledge and approach of business people, as well as the possible benefits for the negotiation process, the employees and the business embracing multiculturalism. Processing the information provided by the questionnaires, the authors of the article have highlighted the need to have a more comprehensive approach to the way in which the new generation (who are entering the labor market) perceive these interferences between the field of economic activity, business communication / negotiation skills and understanding the elements related to culture.

Keywords: business conduct, multicultural knowledge and approach, business negotiation

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1. Introduction

Negotiation represents a fundamental element of any business, especially when it involves the expansion of economic activity on foreign markets. Negotiation, in

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turn, is based on communication. The culture of the people participating in the negotiation can fundamentally influence the process and outcome of the negotiation (in a positive or negative sense). There may be cultural similarities or differences between negotiation participants, and these aspects will be reflected in negotiation styles (Danciu, V., 2010). Any culture is characterized by a variety of component elements that provide it with specific content and characteristics: language, religion, values and attitudes, customs, habits, aesthetics, education, etc. (Danciu, V., 2009).

Culture has a major impact on the following aspects of international business: communication, negotiation, and preparing partnerships with foreign business partners are extremely sensitive aspects from an intercultural perspective. Culture profoundly influences how people think, communicate, and behave in each country. In international communication and negotiation, culture particularly affects the following aspects: the purpose of negotiation (contract or relationship); a (win-win or win-lose) negotiation attitude; (formal or informal) personal style; (direct or indirect) communication; (low or high) time sensitivity; (low or high) expression of emotions; (general or specific) form of agreement; (single decision-maker or team consensus) team organization; (low or high) risk-taking – (Popescu et al, 2017)

These elements represent a challenge for any company that is interested in operating on the international market, to address a wide range of consumers, from various countries, with different consumption habits, shaped by the components of the socio-cultural environment.

The purpose of this article is to identify how students specialized in economics are familiarized with the notions of multiculturalism, in the context in which some of them are already employed, others have carried out or are doing internship or are preparing to enter the labor market.

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2. Literature review

International negotiation is a process of communication and communication involves the interaction of people who have business interests beyond the area of their country of origin. One of the most difficult elements to overcome in the

business communication / negotiation process turns out to be the culture of the participants. Cultural differences measure the “cultural differences” between them. The cultural model implies to give special importance to aspects such as: verbal and non-verbal elements, the language in which the negotiation takes place, individual or group behaviour, the type of communication (explicit or implicit), verbal language versus non-verbal language etc. (Marinoiu & Popescu, 2019; Danciu, 2010).

From the point of view of the country of origin, where the company operates, the entire external market (the rest of the world) represents a multicultural space. Each region or each country has its own specificity. Even within the same country, several ethnic groups, with their socio-cultural specifics, can coexist. This is a general way to perceive the multicultural dimension of a business.

In a particular approach (in a narrower sense), multiculturalism refers to space (social framework) for the coexistence of ethnic groups with their cultural and religious diversity (Popa, I., 2002). “Multiculturalism is a complex concept that reflects the increasing ethnic and racial diversity within societies” (EBSCO).

The imprint of multiculturalism in the world of businesses is an extremely complex one. That way it is essential that through negotiations (business communication) cultural differences to be brought to the level of business cooperation. (Ren, 2024)

In a more particular way, reporting on multiculturalism reflects the experience of people / individuals in an environment characterized by the presence of people belonging to different cultures, religions, ethnic groups (for example: experience in a company with selected employees from different countries; experience of students that benefit from scholarships abroad and study with colleagues from different countries; or tourists that travel and meet at tourist destination a cultural diversity of consumers of touristic services). (Tălmăcian, 2024)

In order to understand the differentiated cultural environment across countries, regions or continents, and to overcome and capitalize on these cultural differences, specialized literature brings into attention the concept of “cultural intelligence”. “Cultural intelligence” becomes more relevant when the people involved in business negotiations are characterized by a greater “cultural distance”. “Cultural intelligence” can be contrasted with “cultural shock”, a situation that refers to the inability to understand a culturally different situation in relation to one’s own cultural identity. (Fanjul, 2010). “Cultural intelligence” in other opinions is considered not only “the ability to adapt to different cultural environment, but more

importantly, it is the ability to act efficiently in unfamiliar cultural settings”. These concept is a multidimensional construct, comprising four main dimensions: “*metacognitive, cognitive, motivational, and behavioral*”. (Skhiri et al, 2025).

- *The metacognitive dimension is related to “person’s mental capacity to acquire, reflect on, and revise cultural knowledge in real time to support more efficient intercultural interactions”.*
- *“The cognitive dimension refers to one’s knowledge of the norms, practices, and conventions of other/or different cultures, allowing individuals to identify similarities and differences compared to their cultural environment.”*
- *“The motivational dimension refers to a person’s interest in and drive to engage in intercultural situations, including the willingness to exert effort to function efficiently in different cultural contexts.”*
- *“The behavioral dimension reflects the ability to be flexible in verbal and non-verbal communication, thereby enabling the development of culturally appropriate interaction styles. “(Skhiri et al, 2025).*

The relevant aspects for international negotiations determined by cultural factors are summarized in the table below:

Table 1. National differences caused by cultural elements with impact in international negotiation (international business communication)

Cultural factors	Characteristics of manifestation in international negotiation	Country/culture
The pace of the negotiation (perception of time in different cultures)	Influences people’s behavior through the way the activities are carried out	<ul style="list-style-type: none"> • in Germany => Time has a precise value. Lack of punctuality in business is considered an expression of lack of organization and lack of politeness. * • in Spain - > time has little relevance* • Asian culture might have a more flexible perception of time. ***** • In the Middle Eastern business culture, patience and flexibility are also essential for fruitful negotiations.*****

Cultural factors	Characteristics of manifestation in international negotiation	Country/culture
Nonverbal languages (facial expression, gestures, body posture, etc.)	People communicate beyond words, through gesture. There are assigned different meanings depending on the country, culture, religion, etc. *, **, ****	<ul style="list-style-type: none"> • in Germany => absence of facial reaction means lack of attention, lack of interest * • Handshakes are generally specific in all cultures; in Japan, for example, a body tilt is used. **** • Asian countries => business card are handed with both hands and with special respect.***
The language used	It has a particular importance how negotiators know and manage the language in which business is conducted**	<ul style="list-style-type: none"> • Although most French people speak English and German, in business negotiation the preferred language is French. Written commercial documents also must be drafted in French. • In Italy, business correspondence is recommended to be in Italian, even if the language of the negotiation is the English.*
Reporting on religious and cultural values	Culture and religion are key elements in conducting business in geographical spaces with a particular specificity.	<ul style="list-style-type: none"> • In the Middle East => religious and cultural values have a significant impact on negotiations. ***** • In China, there is a very strong cultural identity and conservatism among old generations, but a lifestyle changes among the younger generations. *
The influence of religious values are very important into a series of countries of the world economy	Religion provides essential information about social behavior in the foreign market and helps us understand why people behave in a certain way, because that it is the factor that in many cultures guide the values and beliefs.*****	<ul style="list-style-type: none"> • Religious rules in business (for example the prohibition of charging interest on loans in Muslims countries), which led to the development of a specific financial and banking system. *****
Education	Education is the process by which knowledge, ideas and attitudes play a particular role in the transmission of culture between generations. ***	<ul style="list-style-type: none"> • The German education system –emphasizes vocational technological education***** • The Japanese and South Korean educational systems emphasize science ***** • The American educational system focuses on developing

Cultural factors	Characteristics of manifestation in international negotiation	Country/culture
		analytical and problem solving skills ***** • The Eastern European systems emphasize the accumulation of knowledge. *****
Avoiding uncertainty	It reflects the extent to which people take risk or not. *****	• Societies characterized by a high degree of uncertainty avoidance – examples: countries in Central and Eastern Europe, Latin Countries, Japan, Germanic speaking countries. *****

Source: Danciu (2010); Danciu (2009) **, Fanjul (2010)***; Marinoin & Popescu**** (2019); Nicolescu (2005)*****; Popescu et al (2017)*****; Ren (2024)*****.*

3. Research methodology

Research questions/Aims of the research

The aims of the research are to capture relevant aspects related to: (i) the way the socio-cultural environment influence the business negotiation process and (ii) the way the students of the Bucharest University of Economic Studies perceive:

- ⇒ the importance of multicultural knowledge and approach of business people/specialists;
- ⇒ the positive outcomes for the negotiation process, when the employees and the business understand multiculturalism. This aspect has been touched upon in the specialized literature as well, therefore, negotiators should "focus on communication of commercial interests, but also be aware of the background of international cultural differences" (Pang and Pang, 2023)

Research methods

The study is based on articles and books relevant to the scientific topic reflected by the title, capturing the most suggestive ideas. Qualitative analysis is completed with the questionnaire method. The questionnaire (see the Appendix 1) includes seven main questions addressed to students who have studied subjects such as: business communication, international negotiation, cultural dimension of the international business environment and their impact in conducting international business. The information from the questionnaire is analysed and interpreted, using the synthesis

and descriptive method of the main trends and perception reflected by the students' responses. Smart-art-graphics were used for better reflection of ideas.

4. Results and discussion

The questionnaire addressed to the students is made up of seven questions which have been answered in a very detailed manner. Further on we are analysing the results based on our students' answers to each question as follows:

1. *What does multiculturalism at the workplace mean to you?*

Students' answers to the first question have the same perspective upon multiculturalism at the workplace perceived mainly as people from diverse cultural, ethnic, religious, and linguistic backgrounds working together in the same organization (e.g. "Multiculturalism at the workplace means being part of an environment where people from different cultural backgrounds work, learn, and collaborate together.").

➡ 30% of the answers have begun to construct their answers having as a starting point their own experiences as students being part of Erasmus programs and dealing with a multicultural environment (e.g. "At the university, I often meet Erasmus students from different countries, and this helps me understand how people think and communicate differently"; "The multicultural university environment is essentially a training ground for the international business world.").

➡ About 70% of our respondents have even explained what they can see beyond this phenomenon (e.g. "Multiculturalism in the workplace means a space where diversity becomes strength. It's not just about people from different countries working together - it's about the exchange of values, perspectives, and experiences that broaden everyone's understanding of the world.").

2. *Which are the benefits (if any) of multiculturalism at the workplace? Please, exemplify and explain.*

Although their answers are different, all students consider the phenomenon as a beneficial one. From the wide range of benefits we are enumerating: enhancement of creativity and innovation, improved adaptability and global competitiveness, personal and professional growth (e.g. "Multilingual employees can also help

companies connect with international clients, while exposure to various cultures makes workers more adaptable and open-minded.").

⇒ 10% of the answers to the second question includes how the companies embracing multiculturalism are perceived so that enhanced reputation becomes a valuable asset for the organization.

3. Which are the downturns (if any) of multiculturalism at the workplace? Please, exemplify and explain.

Regarding the downturns of the phenomenon under discussion, they are referred to "challenges". These challenges may take the form of communication barriers and misunderstandings, limited English proficiency, stereotypes, cultural biases

(e.g. "Some cultures value punctuality, while others have a more flexible perspective on deadlines.").

4. Which could be the implications of multiculturalism on business? Please, explain.

Generally, businesses embracing multiculturalism are seen as doing a beneficial thing and by doing this, the business has the opportunity to build a more inclusive brand reputation

(e.g. "Businesses with multicultural teams are better positioned to understand and enter diverse markets"; "Multiculturalism can help a business become more adaptable, innovative, and globally competitive.").

5. How can business negotiations be influenced by a multicultural environment? Please, explain.

All our respondents acknowledge the big impact that a multicultural environment has upon business negotiations (e.g. Business negotiations are strongly influenced by cultural differences. For instance, in Japan, negotiations may take longer because relationships and trust need to be established first. In contrast, Western negotiators may focus on closing deals quickly"; "Understanding cultural nuances allows negotiators to avoid misunderstandings, and achieve mutually beneficial outcomes, making intercultural awareness a key skill in global businesses.").

➡ 20 % of the answers made reference to their own practical experiences including volunteering or internships (e.g. "From my experience working in AIESEC, I've seen how cultural understanding can determine the success of a negotiation. When I reached out to international partners to promote volunteering exchanges, I had to adapt my tone and style. Some appreciated detailed, structured proposals; others preferred a warm, personal introduction first. The more I learned about their culture, the better I became at building trust - and that trust often led to better results.")

6. *Would you like to be part of negotiation teams that manage the challenges of a multicultural environment? If yes, what would be the main challenges that you think you should manage?*

↕ All the students have answered positively. Such an experience would definitely be of interest to them.

Among the key challenges they have mentioned there are bridging communication gaps, navigating different negotiation styles, and ensuring all voices are heard and respected.

7. *What is the impact (if any) of a multicultural approach upon employees? Please, explain.*

While all the respondents focused on the positive effects on a multicultural approach upon employees in an organization, there is a significant percentage of 70% of them who also have included the limits or the problems that this kind of approach may have regarding the employees in an organization.

Among the positive effects that our students have mentioned there are tolerance, empathy, and open-mindedness, mutual respect, higher job satisfaction and morale, a more inclusive and dynamic workplace.

➡ 20% of the answers to this final question of the survey referred to their own experience as students, as part of student programs which they perceive as very useful in the process of their preparation for what is to come in the future careers in multicultural environments (e.g. "At university, I have noticed I've become better at explaining things clearly just from working with international students who don't always get my references or speaking style.").

➡ On the one hand, some of the main challenges included by 70% of the respondents are as follows: adapting to different communication styles, managing potential conflicts, finding common ground when having with diverse perspectives, keeping calm and being empathetic, especially when dealing with slower decision-making processes or differing attitudes toward hierarchy or time.

➡ 10 % of the students have signaled the fact that having experience working across cultures looks good in a curriculum vitae (e.g. "Employees who can handle multicultural environments have more career options and can probably negotiate better salaries.").

Another aspect that has been signaled by 10 % of the respondents and should be paid attention to is the possibly stressful side of navigating cultural differences especially for those who do not possess multicultural knowledge or have not had the chance to experience or at least study about multicultural working environments.

5. Conclusions

After analyzing the 90 students' answers to the questions on multiculturalism at the workplace we can draw the conclusion that this phenomenon is perceived as advantageous because it gives organizations the opportunity to become more innovative and effective in an increasingly interconnected world. All students are aware of the great role that multicultural approach has both on the success of the business as well as the employees of an organization.

Some (20%) students associate multiculturalism at work with their own Erasmus or AIESEC experience which has helped them understand before entering the working field how multiculturalism works and that they multicultural knowledge is a valuable asset for future employees.

Acknowledgment

We are grateful to the 90 students of the Bucharest University of Economic Studies who have answered the questions of our survey on multiculturalism at the workplace. Their contribution is highly commendable as they have been very

involved in answering the questionnaire in a clarifying and detailed way which has made the applied part of the present article possible.

Our present research could also be the starting point of a study on multicultural businesses in Romania both in terms of benefits and the challenges they face.

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Appendix

Questionnaire addressed to the students of the Bucharest University of Economic Studies.

1. What does multiculturalism at the workplace mean to you?
2. Which are the benefits (if any) of multiculturalism at the workplace? Please, exemplify and explain.
3. Which are the downturns (if any) of multiculturalism at the workplace? Please, exemplify and explain.
4. Which could be the implications of multiculturalism on business? Please, explain.
5. How can business negotiations be influenced by a multicultural environment? Please, explain.
6. Would you like to be part of negotiation teams that manage the challenges of a multicultural environment? If yes, what would be the main challenges that you think you should manage?
7. What is the impact (if any) of a multicultural approach upon employees? Please, explain.