ISCTE Description Descripti Description Description Description Description Description De

CHINESE PROFESSIONALS - NEGOTIATIONS WITH PORTUGUESE STAKEHOLDERS.

ZHIWEI LI

Dissertation submitted as partial requirement for the conferral of Master in management

Supervisor:

Prof. Doutor Pedro Fontes Falc ão, Prof. Auxiliar Convidado, ISCTE Business School, Departamento de Marketing, Opera ções e Gest ão Geral

June 2020

Acknowledgements

My deepest gratitude goes first and foremost to Professor Pedro Fontes Falc ão, my supervisor, a respectable, responsible and resourceful scholar, who has provided me with valuable guidance throughout all the stages of the writing of this thesis. Without his consistent and enlightening instruction, this thesis could not have reached its present form.

Secondly, I shall extend my thanks to all the participants in my research for all their kindness, time and help. Everything that they've done is fundamental to the completion of my dissertation. And I am also very thankful to my friends, who helped me when the direction in which to develop my work wasn't clear to me.

Finally, I am indebted to my family for their continuous support and encouragement.

Abstract

With the increasingly closer trade and cultural exchanges between China and Portugal, more and more Chinese companies and investors have entered the Portuguese market in recent years. Chinese companies and workers in the Portuguese market need to face conflicts with Portuguese stakeholders in their work, so it is very important to master appropriate negotiation methods to resolve conflicts and improve stakeholder management. The purpose of this paper is to provide an experienced framework for Chinese companies and professionals in Portugal so as to use negotiation for resolving conflicts in their work, avoiding cultural conflicts and improving the management of relevant Portuguese stakeholders.

This study is based on literature review work and also on a semi-structured interview of ten Chinese leaders and employees who hold high positions in their companies and run businesses in Portugal. This interview-based research aims to respond to five main questions, and the results of the questions can be concluded in order to draw an experienced framework of negotiation for Chinese professionals to handle the conflicts with Portuguese stakeholders and improve their management. Although there are also some limitations to this research, due to the current situation in Portugal, this thesis will contribute to establish a bridge for Chinese companies and professionals who want to enter the Portuguese market.

Key words: Portugal, China, Negotiation, stakeholders, management

Resumo

Com as trocas comerciais e culturais mais próximas entre China e Portugal, cada vez mais empresas e investidores chineses entraram no mercado português nos últimos anos. As empresas e trabalhadores chineses no mercado português precisam de enfrentar conflitos com os *stakeholders* portugueses no seu trabalho, por isso é muito importante dominar os métodos de negociação apropriados para resolver conflitos e melhorar a gestão dos *stakeholders*. O objetivo deste artigo é fornecer uma estrutura experiente para empresas e profissionais chineses em Portugal usarem a negociação para resolver conflitos no seu trabalho, evitar conflitos culturais e melhorar a gestão dos *stakeholders* portugueses relevantes.

Este estudo baseia-se num trabalho de revisão de literatura e também numa pesquisa desenvolvida via uma entrevista semiestruturada a dez l deres e funcionários chineses que ocupam uma posição de destaque nas suas empresas com negócios em Portugal. As entrevistas tiveram como objetivo responder a cinco questões principais, e os resultados das perguntas podem ser conclu dos para traçar uma estrutura de negociação experiente para profissionais chineses lidarem com os conflitos com os *stakeholders* portugueses e melhorar a sua gestão. Embora também existam algumas limitações para esta pesquisa, quanto à situação atual em Portugal, esta tese contribuir á para estabelecer uma ponte para empresas e profissionais chineses que desejem entrar no mercado portugu ês.

Palavras-Chave: Portugal, China, Negocia ção, Partes Interessadas / Stakeholders, Gestão.

Index

O Introduction	
1 RESEARCH PROBLEM	
2 LITERATURE REVIEW	
2.1 Stakeholder Theory	
2.1.1Types of stakeholders	4
2.2 Stakeholder Management	5
2.3 Conflict theory	7
2.4 Conflicts between stakeholders	7
2.4.1 Conflicts between external stakeholders	
2.4.2 Conflicts between internal stakeholders	9
2.5 Approaches for managing stakeholders' conflicts	
2.6 What is negotiation?	
2.7 Models of negotiation with stakeholders	
2.7.1 Distributive Negotiation ("win-lose")	
2.7.2 Integrative Negotiation ("win-win")	
2.7.3 Attitudinal negotiation	
2.7.4 Intra-organizational negotiation	
2.8 China-Portugal cultural differences in Hofstede cultural dimension	: heory 16
2.8.1 Power Distance	
2.8.2 Individualism	
2.8.3 Masculine	
2.8.4 Uncertainty Avoidance	21
2.8.5 Long-term Orientation	
2.8.6 Indulgence	23
2.9 Relationship between Hofstede's dimensions and negotiation	24
3. METHODOLOGY	
3.1 Research context.	
3.2 Research method	
3.3 Data collection	
	IV

4.DISCUSSION	34
Conclusions	59
Limitations and Future Research	61
References	63
Annex 1: Interview questionnaire in English	67
Annex 2: Interview questionnaire in Chinese	72

LIST OF FIGURES:

Figure 1:Main groups of stakeholders	5
Figure 2: Conflict handling intentions	.11
Figure 3:Fixed Pie	.14
Figure 4:Created Pie	.15
Figure 5: China-Portugal cultural differences in Hofstede cultural dimension	.17

LIST OF TABLES

Table 1: Source from the author	35
Table 2: Source from the author	37
Table 3: Source from the author	41
Table 4: Source from the author	48
Table 5: Source from the author	50
Table 6: Source from the author	54
Table 7: Source from the author	56

O Introduction

In recent years, bilateral relations between China and Portugal have developed smoothly, and positive progress has been made in economic and trade cooperation. Since 2008, China has been investing in the Portuguese market, so there are more and more Chinese companies conducting commercial activities and business negotiations with their stakeholders in Portugal.

Since ancient times in China, there has been a saying which states that "wealth will roll back, all by word of mouth". In a modern context, negotiation is the prelude to business activities and the necessary conditions for a transaction. Negotiation is the most appropriate technique for conflict resolution with stakeholders and can keep good relationships with them (Marzouk and Moamen, 2009). Therefore, for Chinese companies in the foreign market, the way in which to achieve the expected goal through negotiation and the way in which to use negotiation methods so as to improve stakeholder management lacks knowledge, which has raised widespread concerns. This article focuses on the Chinese companies in the Portuguese market, since in this area there is still a shortage of studies that provide an experienced negotiation framework for Chinese companies or Chinese professionals to have some references on how to use negotiation to resolve the conflicts with their Portuguese stakeholders.

The objective of this dissertation is to draw an experienced negotiation framework for the

Chinese professionals who develop negotiations with stakeholders in Portugal. Also, this study can offer some references for Chinese professionals who may come to Portugal to utilize negotiation methods to handle the conflicts with stakeholders and improve their management.

This article will be outlined according to three main aspects. The first part introduces the literature review that depicts the concepts of negotiation, its models on handling conflicts, and the management of stakeholders, providing the explicit knowledge on this aspect to support the following parts of the study. The second part focuses on the research that is carried out by in-depth interviews with ten Chinese professionals who work and run businesses in Portugal. The questionnaire was planned with several queries in order to answer the main questions that constitute the research problems, including the questions about the Hofstede cultural dimension theory(Hofstede, 2001). This owes to the fact that the culture factor always plays a very important role in international business activities. The last main part analyzes the results of the research and discusses the data collected from the interviewees. In this part, the author draws some conclusions to every objective question of the research, so as to give a general framework of negotiation to improve stakeholder management.

This dissertation can be of help to Chinese professionals in Portugal who wish to get some information and references on how to develop appropriate negotiation models to remove the conflicts in their business circle and improve stakeholder management.

1 RESEARCH PROBLEM

The main research problem is to acquire general knowledge on how Chinese investors or professional workers, on behalf of their companies (mainly Chinese companies) in Portugal, manage their stakeholders by applying appropriate negotiation methods. This aims to draw an experienced negotiation framework for the Chinese professionals who develop negotiations with stakeholders in Portugal.

2 LITERATURE REVIEW

In this literature review chapter, there are theories and related definitions which correspond to the thesis objective. At the beginning are presented some definitions of stakeholders and conflict in stakeholders, followed by handling points on how to resolve the stakeholders' conflicts, here being introduced major models of negotiations. The second part constitutes a comparison between Chinese and Portuguese dimensional cultural differences, which is very important for this world, because for intercultural negotiation it is necessary to recognize the importance of understanding the differences in culture in order to generate an expected outcome in the negotiation process.

2.1 Stakeholder Theory

"any group or individual who can affect, or is affected by, the achievement of a corporation's purpose."

Freeman (1984)

This broad, inclusive definition by Freeman (1984) covers anyone, or any group, directly or indirectly affected by a project, as well as those who may have interests in a project and/or the ability to influence its outcome, either positively or negatively. A stakeholder does not have to be a direct user of, or directly affected by, project outcomes in order to be influenced by them.

Stakeholders are often broadly grouped. For example, "policy-makers" might be identified as an important stakeholder group for a project, but there is likely to be much variation in the interests and motivations of different stakeholders in a grouping. Such variation might be influenced by factors such as the geographical scale at which they make decisions or operate, and resource availability. For this reason, it is important to recognize that not all stakeholders in one broad group are likely to have the same interests and motivations, and so the engagement levels may vary for different individuals or organizations in a group (Durham, Baker, M, M., Moore, & Morgon, 2014).

2.1.1Types of stakeholders

According to Friedman and Miles (2006), there is a clear relationship between definitions of what stakeholders are and identifying who the stakeholders are. The main groups of stakeholders are shown in figure 1:



Figure 1: Main groups of stakeholders adapted form Friedman & Miles (2006)

Carroll, A.B. and Buchholtz, A.K. (2006) also defined that the stakeholder can be divided into the following main categories:

- Market (or Primary) Stakeholders – usually internal stakeholders, are those who engage in economic transactions with the business (For example, stockholders, customers, suppliers, creditors, and employees).

- Non-Market (or Secondary) Stakeholders – usually external stakeholders, are those who – although they do not engage in direct economic exchange with the business – are affected by or can affect its actions (For example, the general public, communities, activist groups, business support groups and the media).

2.2 Stakeholder Management

According to the Guide to the Project Management Body of Knowledge (p391 - 415, 2013),

stakeholder management is a process required in order to identify all people or organizations impacted by the project, analyzing stakeholder expectations and impact on the project, and developing appropriate management strategies for effectively engaging stakeholders in project decisions and execution.

The features of stakeholder management are:

- Focusing on continuous communication with stakeholders in order to understand their needs and expectations, address their issues as they occur, manage conflicting interests, and foster appropriate stakeholder engagement in project decisions and activities.
- Stakeholder satisfaction should be managed as a key project objective.
- The Project Stakeholder Management processes include the following:

The process of stakeholder management comprises these four following steps:

- Identify Stakeholders
- Plan Stakeholder Management
- Manage Stakeholder Engagement
- Control Stakeholder Engagement

2.3 Conflict theory

All societies, communities, organizations, and interpersonal relationships experience conflict at one time or another in the process of day-to-day interaction. Conflict is not necessarily bad, abnormal, or dysfunctional; it is

a fact of life. - (Gordon, 1997)

The causes of conflicts, as explained by (Chinyio & Olomolaiyea, 2010), are usually due to resource shortage and antagonistic feelings. Conflicts may happen between individuals, between groups and between organizations. Conflicts between people are subjective, meaning that although objective reasons may exist, conflict only breaks out if those reasons are perceived. Conflicts between people may trigger organizational conflicts for the simple reason that organizations are (still) governed by people. However, organizational conflicts may have other root reasons, for example resource inter-dependency in the theory of Rahim (2002).

Why can conflicts between people or groups arise indeed? There is a more clear and comprehensive definition by Chinyio & Olomolaiyea (2010), an interaction of independent people who acknowledge different objectives, wishes and values on the other part, capable of interfering with their own.

2.4 Conflicts between stakeholders

In part 2.1.1, the types of stakeholders were introduced: market stakeholders and non-market stakeholders, and we can divide the stakeholders into external and internal stakeholders

according to the definition by Chinyio & Olomolaiyea (2010).

2.4.1 Conflicts between external stakeholders

In the view of (Chinyio & Olomolaiyea, 2010), there can be categories of conflict between external stakeholders:

- **Public in general**: The public in general includes local communities and the people influenced by the project of the firm. Let's take the real estate project as an example, as nearby residents are people living or working close to the project. If the local community is affected by the project, there will be a risk for potential conflicts, if that is not regarded in the project decision process (Chinyio & Olomolaiyea, 2010).

- Environmentalists: Like other Non-Governmental Organizations, environmentalists have the power to influence project decisions, as their aim is to alert the public opinion to the project's negative consequences to the environment. Conflicts can arise if the project management team neglects environmental impacts (Chinyio & Olomolaiyea, 2010).

- Local and national authorities and Political organizations: These are very important stakeholders because they have the power to influence project decisions by issuing the final approval on the project. These stakeholders are ruled by civil servants and politicians (mayor, minister, secretary of state, directors, etc.), therefore project conformance with rules and regulations partially depends on their interpretation of those rules and regulations and on the directives they must comply with in order to sustain strategic political decisions (Chinyio & Olomolaiyea, 2010).

- Social and professional organizations: Trade unions are examples of social organizations that may have some influence on the project. They may act as supporters during the feasibility phase of the project, help during the design phase and influence political decisions during the preparation phase (trade associations, for example). But they may also act as project opponents during the executive stage if site impacts are significant or site conditions are not acceptable for workers (trade unions, for example) (Chinyio & Olomolaiyea, 2010).

2.4.2 Conflicts between internal stakeholders

From the explanation of Chinyio & Olomolaiyea (2010), unlike external stakeholders, internal stakeholders are usually tied by mutual arrangements, whereby rights and duties of the parties are set, as well as the risks each party ought to bear and if these can be insured. Additionally, contracts usually establish the resolution procedures of conflicts possibly arising from their relationships.

Adding to that, the general conflicts between internal stakeholders are divided into the following types in the literature of Ezekiel Chinyio & Olomolaiyea (2010):

- **Project owner:** The owner is the most relevant project stakeholder and is mostly affected by the project success. Accordingly, the owner is expected to develop all the necessary efforts to avoid project conflicts. Conflicts may start at the owner organization. Especially in public entities, some internal opposition to a particular project may arise due to either resource dispute or conflicting approaches to investment priorities among different sectors (Chinyio & Olomolaiyea, 2010).

- **Costumers and end-users:** The costumer is the user of the products of the firm and the one who directly pays for it. For public projects, however, the customers may not directly pay for the product (as in public concessions) but indirectly through taxes. Accordingly, customers' needs should be properly identified during the conception and the design phases, in order to avoid conflicts during the transaction, so as not to mistake their expectations (Chinyio & Olomolaiyea, 2010).

- **Financiers and creditors:** Financing institutions need to ensure the return of investment and adequate profitability if the funds are private, and the achievement of the project goals for scope, time, cost and quality, if the funds are public. If project costs escalate, incomes may reduce or the project profitability may be at risk. Consequently, financiers may stop capital allocation or creditors may claim for the payment of debts, therefore endangering the project conclusion (Chinyio & Olomolaiyea, 2010).

- **Employees:** Employees of any stakeholder organization can pose an obstacle to the success of the project, if they are not sufficiently motivated by the project, or if they have any kind of conflict with their employer (salary, promotions, work conditions, etc.). This type of

conflicts often arise by means of strikes, organized meetings or written claims to the board of directors (Chinyio & Olomolaiyea, 2010).

2.5 Approaches for managing stakeholder conflicts

As mentioned previously in this work, stakeholders are those who are affected by corporate activities as well as those that are able to influence corporate activities. Groups include local communities, government agents, NGOs and competition groups.

That is, stakeholders usually have controversial interests, requirements, goals, needs and expectations, so conflicts are raised. The graph in Figure 2 shows the five common conflict handling intentions(Tomas, 1992) that may be found during negotiation with stakeholders.

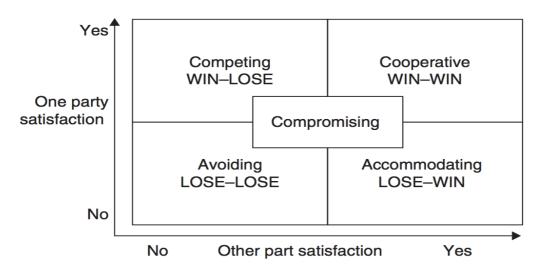


Figure 2: Conflict handling intentions adapted from Tomas (1992)

Tomas (1992) thus explained the five common conflict-resolving intentions shown in figure 2, that can also be applied in the process of negotiating with stakeholders to handle their conflicts.

Competing (assertive and uncooperative)-A desire to satisfy one's interests, regardless of the impact on the other party of the conflict. Competing negotiation is also called win/lose negotiation, and (Moura & Teixeira, 2010) it can be applied when the party using it is insensitive (or, at least, partially insensitive) to the needs and wishes of the other party. In this case, the insensitive party will do anything to get concessions, irrespective of the costs implied to the other party.

Cooperating (assertive and cooperative)-A situation in which the parties to a conflict each desire to fully satisfy the concerns of all parties. (Moura & Teixeira, 2010) Cooperating negotiation is sometimes called win/win negotiation and, as the name suggests, makes up a very different approach from competitive negotiation.

Avoiding (unassertive and uncooperative)-The desire to withdraw from or suppress a conflict, Avoiding negotiation is also called lose/lose approach.(Moura & Teixeira, 2010)

Accommodating (unassertive and cooperative)--The willingness of one party in a conflict to place the opponent's interests above his or her own, so Accommodating negotiation corresponds to the lose/win negotiation approach.(Moura & Teixeira, 2010)

Compromising (moderate assertive and moderate cooperative)-A situation in which each party to a conflict is willing to give up something.(Moura & Teixeira, 2010)

2.6 What is negotiation?

"Like it or not, you are a negotiator. Negotiation is a fact of life."- Fisher (1981)

Negotiations are widespread in all aspects of human activity, and various types of negotiations take place anywhere and anytime, in socio-political, economic, military, diplomatic, and daily activities. In accordance with Pillutla, M. and Nicholson (2004), negotiation is a process through which two or more parties which are in conflict over an outcome attempt to reach agreement. It is the constructive, positive alternative to haggling or arguing; it aims to build an agreement rather than win a battle. Some theories also say that negotiation is a process of resolving conflicts between different parties into a common position where all the parties can realize their interests and goals.

Negotiations take place daily, whether on a conscious or subconscious level (Zohar, 2015). In a way, negotiation exists not only in business relationships but also in personal relationships.

2.7 Models of negotiation with stakeholders

Negotiation is the most appropriate technique for conflict resolution with stakeholders and can keep good relationships with them (Marzouk and Moamen, 2009). According to (Anthopoulos & Xristianopoulou, 2012), negotiation is a method for resolving conflicts with stakeholders and is the most preferred technique for resolving conflicts with project stakeholders. To achieve a successful negotiation with stakeholders, a good and appropriate model of negotiation must be chosen, with respective negotiators and in respective situations. Here follows an analysis of major models of negotiation that appear often when negotiating with stakeholders.

2.7.1 Distributive Negotiation ("win-lose")

Negotiators tend to assume that negotiation tasks are fixed-sum (the mythical fixed-pie), to miss opportunities for mutually beneficial tradeoffs between the parties.(Chia-Jung, T. & Max H. B., 2009). Alfredson & Cungu (2008) explain that distributive negotiation is usually related with negotiation approaches like "zero-sum", competitive, or "win-lose", which are based on the competitive view of negotiations. They are designed to secure the biggest slice possible of the proverbial pie for one side (also called "claiming value"), while leaving the other side with the smallest share possible. Usually, in a business negotiation, the amount of what will be distributed or shared is limited. In this way, this form of negotiation is referred to as "The Fixed Pie." If one party wants a bigger share of the pie, then the other one will lose one slice of the pie. What one gains, one loses. (Figure 3)



Figure 3: Fixed Pie (source from https://www.google.com/search?q=fixed+pie)

In this model of negotiation, the parties in negotiation play a game of perceptions about each one's ideal outcome and minimum-acceptable outcome. The quality of the initial offer and concessions in order to draw up strategies is essential for success in this type of negotiation (Falc ão, 2008).

2.7.2 Integrative Negotiation – ("win-win")

Integrative approaches use objective criteria, look to create conditions for mutual gain, and emphasize the importance of exchanging information between parties and group problem-solving (Lewicki, Barry, & Saunders, 2011). According to Alfredson & Cungu (2008), integrative approaches, in sharp contrast to distributive approaches, frame negotiations as interactions with win-win potential. Whereas a zero-sum view sees the goal of negotiations as an effort to claim one's share over a "fixed amount of pie", integrative theories and strategies look for ways of creating value, or "expanding the pie". This approach contrasts with approaches that seek to use negotiations as a way to enlarge the pie, or in other words, to multiply gains in order to make both parties better off. Figure 4 shows this point more clearly.

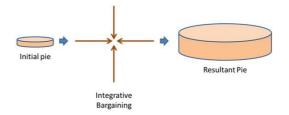


Figure 4: Created Pie (source: https://www.google.com/search?q=created+pie&source)

In this model of negotiation, the parties follow a joint problem-solving attitude in order to increase the global outcome. Trust, open communication and considerable information exchange are the key to success according to this approach (Falc ão, 2008).

2.7.3 Attitudinal negotiation

In the theory of (Richard, E. & McKersie, B., 1965), negotiations are deeply influenced by cultural norms and by interpersonal relationships that the parties have developed (or not developed) with each other. Attitudinal structuring occurs when negotiators try to influence the quality and nature of their relationship, through attempts to change each other's perceptions, attitudes and the negotiations' climate (Falc ão, 2008). This model of negotiation needs smooth and harmonious relations to be maintained by trying to build trust with other parties, as stated by Harry, Thomas and Alexander(2015). It usually is shaped from uncooperative to cooperative, or from hostile to friendly.

2.7.4 Intra-organizational negotiation

Intra-organizational negotiation occurs when there are different goals or preferences among the members or departments of an organization (Harry, Thomas and Alexander(2015), so it looks into the roles performed by negotiators and the sources of conflict inside their own negotiations team. It focuses on internal conflict(Falc ão, 2008).

2.8 China-Portugal cultural differences in Hofstede's cultural dimension theory

The framework brought a distinct quantitative-comparative approach to the study of cultures by identifying and measuring defining aspects of world cultures. Six dimensions currently make up Hofstede's (Hofstede, 2001) framework : power distance, uncertainty avoidance, individualism, masculinity, long-term orientation, and indulgence.

Hofstede Insights is my preferred partner for enabling your organization to use culture as a business enabler. -

Professor Geert Hofstede

Hofstede Insights is a merger between Itim International and The Hofstede Centre. It is an international, highly certified organization which allows people to obtain data about the cultural dimension between different countries.

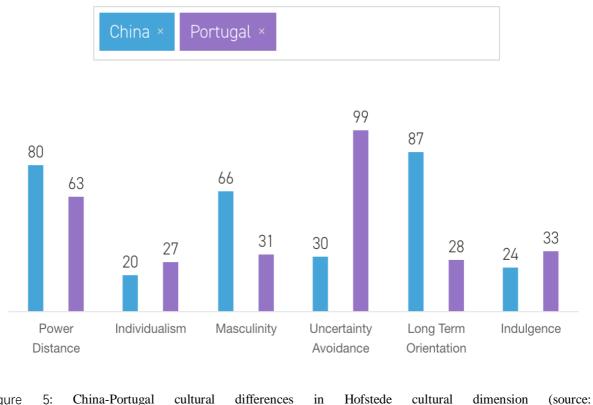


Figure 5: China-Portugal cultural differences in Hofstede cultural dimension (so https://www.hofstede-insights.com/country-comparison/china,portugal/)

2.8.1 Power Distance

According to Hofstede Geert(2001), this dimension deals with the fact that all individuals in

societies are not equal – it expresses the attitude of the culture towards the inequalities among us. Power Distance is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept power to be distributed unequally.

¹According to the results from Hofstede Insights, at 80 China sits in the higher rankings of PDI – i.e. a society that believes that inequalities among people are acceptable. The subordinate-superior relationship tends to be polarized and there is no defense against power abuse by superiors. Individuals are influenced by formal authority and sanctions and are in general optimistic about people's capacity for leadership and initiative. People should not have aspirations beyond their ranks.

Portugal's score on this dimension (63) reflects that hierarchical distance is accepted and those holding the most powerful positions are admitted to have privileges for their position. Management controls, i.e. the boss requires information from his subordinates and these expect their boss to control them. A lack of interest towards a subordinate would mean this one is not relevant in the Organization. At the same time, this would make the employee feel unmotivated. Negative feedback is very distressed so for the employee it is more than difficult to provide his boss with negative information. The boss needs to be conscious of this difficulty and search for little signals in order to discover the real problems and avoid becoming relevant.

2.8.2 Individualism

¹https://www.hofstede-insights.com/country-comparison/china,portugal/

The fundamental issue addressed by this dimension is the degree of interdependence that a society maintains among its members. It has to do with whether people s self-image is defined in terms of "I" or "We". In Individualist societies, people are supposed to look after themselves and their direct family only. In Collectivist societies, people belong to 'in groups' that take care of them in exchange for loyalty, as stated in the literature of Hofstede Geert(2001).

²At a score of 20, China is a highly collectivist culture where people act in the interest of the group and not necessarily of themselves. In-group considerations affect hiring and promotions, with closer in-groups (such as family) getting preferential treatment. Employee commitment to the organization (but not necessarily to the people in the organization) is low. Whereas relationships with colleagues are cooperative for in-groups, they are cold or even hostile to out-groups. Personal relationships prevail over tasks and the company.

Portugal, in comparison with the rest of European countries (except for Spain), is Collectivist (due to its score in this dimension: 27). This result manifests itself in a close long-term commitment to the member 'group', be that a family, extended family, or extended relationships. Loyalty in a collectivist culture is paramount, and over-rides most other societal rules and regulations. The society fosters strong relationships where everyone takes responsibility for fellow members of their group. In collectivist societies, offence leads to shame and loss of face, employer/employee relationships are perceived in moral terms (like a

²https://www.hofstede-insights.com/country-comparison/china,portugal/

family link), hiring and promotion decisions take account of the employee's in-group, management is the management of groups.

2.8.3 Masculinity

According to Hofstede Geert(2001), a high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner/best in field – a value system that starts in school and continues throughout organizational life.

A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the true sign of success, while standing out from the crowd is not admirable. The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine).

³At 66, China is a Masculine society – oriented and driven by success. The need to ensure success can be exemplified by the fact that many Chinese will sacrifice family and leisure priorities to work. Service people (such as hairdressers) will provide services until very late at night. Leisure time is not so important. Migrated farmer workers will leave their families behind in faraway places in order to obtain better work and pay in the cities. Another example is that Chinese students care very much about their exam scores and ranking, as this is the

³(<u>https://www.hofstede-insights.com/country-comparison/china,portugal/</u>22-07-2019)

main criteria to achieve success or not.

Portugal scores 31 on this dimension and is a country where the key word is consensus. So, polarization is not well considered, or excessive competitiveness appreciated. In Feminine countries, the focus is on "working in order to live", managers strive for consensus, people value equality, solidarity and quality in their working lives. Conflicts are resolved by compromise and negotiation. Incentives such as free time and flexibility are favored. Focus is on well-being, while status is not shown. An effective manager is a supportive one, and decision making is achieved through involvement.

2.8.4 Uncertainty Avoidance

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety, and different cultures have learned to deal with this anxiety in different ways. The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these is reflected in the score on Uncertainty Avoidance (Hofstede, 2001).

⁴At 30, China has a low score on Uncertainty Avoidance. Truth may be relative, though in the immediate social circles there is concern for Truth with a capital T and rules (but not necessarily laws) abound. Nonetheless, adherence to laws and rules may be flexible enough to

⁴(<u>https://www.hofstede-insights.com/country-comparison/china,portugal/</u>22-07-2019)

suit the actual situation, and in such manner pragmatism is a fact of life. The Chinese are comfortable with ambiguity; the Chinese language is full of ambiguous meanings that can be difficult for Western people to follow. The Chinese are adaptable and entrepreneurial. At the time of writing, the majority (70%-80%) of Chinese businesses tend to be small to medium sized and family owned.

If there is a dimension that defines Portugal very clearly, it is Uncertainty Avoidance. Portugal scores 99 on this dimension and thus has a very high preference for avoiding uncertainty. Countries exhibiting high Uncertainty Avoidance maintain rigid codes of belief and behavior and are intolerant of unorthodox behavior and ideas. In this culture, there is an emotional need for rules (even if the rules never seem to work), time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted, and security is an important element in individual motivation.

2.8.5 Long-term Orientation

Hofstede Geert(2001) devised this dimension to describe how every society must maintain some links with its own past while dealing with the challenges of the present and future, and societies prioritize these two existential goals differently. Normative societies, which score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future. ⁵China scores 87 in this dimension, which means that it is a very pragmatic culture. In societies with a pragmatic orientation, people believe that truth depends very much on the situation, context and time. They show an ability to adapt traditions easily to altered conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results.

A low score of 28 shows that the Portuguese culture prefers normative thought over a pragmatic one. People in such societies have a strong concern with establishing the absolute Truth; they are normative in their thinking. They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results.

2.8.6 Indulgence

According to Hofstede Geert(2001), one challenge that confronts humanity, now and in the past, is the degree to which small children are socialized. Without socialization we do not become "human". This dimension is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. Relatively weak control is called "Indulgence" and relatively strong control is called "Restraint". Cultures can, therefore, be described as Indulgent or Restrained.

⁵(<u>https://www.hofstede-insights.com/country-comparison/china,portugal/22-07-2019</u>)

⁶China is a Restrained society according to its low score of 24 in this dimension. Societies with a low score in this dimension have a tendency for cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and so control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms and feel that indulging themselves is somewhat wrong.

A relatively low score of 33 indicates that Portugal has a culture of Restraint. Societies with a low score in this dimension have a tendency for cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and so control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms and feel that indulging themselves is somewhat wrong.

2.9 Relationship between Hofstede's dimensions and negotiation

In the theory of Pervez N.Ghauri & Jean-Claude(2003), negotiators in international negotiations, by definition, have different national cultural backgrounds. National culture is that component of our mental programming which we share with more of our compatriots as opposed to most other world citizens, along with the fact that national cultural programming leads to patterns of thinking, feeling and acting that may differ from one party in an international negotiation to another.

⁶(<u>https://www.hofstede-insights.com/country-comparison/china,portugal/</u>22-07-2019)

According to the research of Pervez N.Ghauri & Jean-Claude(2003), if one knows the approximate position of a country's national cultural value system on the various cultural dimensions, one can predict aspects of the negotiation style of its negotiators:

- Larger Power Distance will lead to a more centralized control and decision-making structure (key negotiations have to be concluded by the top authority);
- (2) Collectivism will lead to a need for stable relationships, so that negotiations can be carried out among persons who have become familiar with each other over a long time (often, several years). Every replacement of one person by another is a serious disturbance of the relationship, which has to be reestablished from scratch. In collectivist cultures, mediators or go-betweens have a more important role in negotiations than in individual cultures. Formal Harmony is very important in a collectivist setting; overt conflict is taboo. Mediators are able to raise sensitive issues with either party within an atmosphere of confidence and avoid confrontation.
- (3) Masculinity leads to ego-boosting behaviors and sympathy for the strong on the part of negotiators and their superiors. Masculine cultures tend to resolve conflicts by fighting rather than compromising. Femininity leads to ego-effacing behaviors and sympathy for the weak. Negotiations between two masculine cultures are more difficult than if at least one of the cultures is more feminine.

- (4) Uncertainty Avoidance leads to a low tolerance for ambiguity and distrust in opponents who show unfamiliar behaviors; negotiators from uncertainty-avoiding cultures prefer highly structured, ritualistic procedures during negotiations.
- (5) Long-term orientation leads to perseverance for achieving desired ends even at the cost of sacrifice.
- (6) Indulgence leads to freedom in a negotiation, encouraging debate and dialogue in meetings or decision making. Life isn't taken too seriously.

3. METHODOLOGY

This chapter sets the scene for this research and is divided into five sections. The first part discusses the research questions about how the Chinese professionals, on behalf of their companies, try to improve their stakeholder management by applying negotiation approaches in Portugal. Following this, there is an explanation of the research method and the way the data was collected. In the last part, there is a discussion of the results.

3.1 Research context.

When going international, not only does it require in-depth technical competence, but also competence to interact with people from different backgrounds and cultures. So, applying proper models or approaches of negotiation to handle the stakeholders' conflicts has become an increasingly important issue for companies or foreign workers that run businesses or work in foreign markets.

In 2018, the Portugal-China Chamber of Commerce and Industry (CCILC) reported that the Chinese had been the main foreign investors in Portugal in 2018, having put or undertaken to put in over $\in 10$ billion (US\$11.5 billion) into the country. With increasing interconnection in the business area and the cultural and educational sectors, more and more Chinese investors have been coming into Portugal and starting their businesses, but there still is not a complete study of an experimental reference for Chinese professionals to know better the cultural difference in the negotiation process and how they should develop appropriate negotiation approaches to handle the stakeholders' conflict, in order to improve their management. Therefore, this study aims to search for some information and experience in this area from some Chinese workers (basically, in Chinese companies) who work in the Portuguese market and have conducted negotiations in Portugal.

Under this context, in order to achieve this goal we have to process this study based on these following questions:

1. How important is it for Chinese professionals to use negotiation to improve stakeholder management and handle their conflicts?

2. How about the Portuguese cultural difference in the negotiation process in the view of Hofstede's cultural dimension theory?

3. With which type of stakeholders do you have your main conflicts with, and which are the most important for your companies?

4. Which is your main negotiation model in negotiation with your stakeholders?

5. What are the additional factors to the success of the negotiation with Portuguese stakeholders?

The research intends to answer the above questions and meet the following objectives during this study:

©Understand relevant cultural factors to identify more appropriate conflict-handling approaches employed by Chinese professional workers who develop negotiations with their stakeholders in Portugal.

© Offer guidance and reference to Chinese business people, so as to select more effective negotiation models to improve their stakeholder management.

3.2 Research method

In addition to the literature review work developed as a research tool to achieve our goal,

according to Saunders, Lewis, and Thornhill(2007), there are several research methods that can be divided into two categories: qualitative methods and quantitative methods. This study will pick qualitative data, given that Dawson(2009) refers that the qualitative method explores subjective issues such as attitudes, behavior and experiences through employment of methods such as interviews or focus groups. It attempts to get an in-depth feeling and opinion from participants. Attitudes, behavior and experiences are important, and sample sizes are usually smaller and tend to take part in this type of research. Qualitative strategy is chosen because it is an approach concerned with subjective understanding (Bryman, 2004).

Qualitative data is connected with non-numeric data. It is based on a more detailed description of things. The qualitative method investigates why (meaning) and how (process) things happen as they do (Sachdeva, 2009).

Qualitative research builds its premises on inductive, rather than deductive reasoning. It derives from the observational elements that pose questions which the researcher attempts to explain. This empirical research consists of data collected from the senses and is used to explain phenomena relevant to social behaviors in new and emerging theories, according to the theory of Williams(2007).

Aiming to achieve the objective and explore the questions we discussed in the research context, qualitative research apparently appears to be the most appropriate method to explore and elicit in-depth information from respondents based on their experiences and subjective views on cultural impact in negotiation and which are the best negotiation approaches and models to handle the stakeholders' conflicts and improve management.

3.3 Data collection

"Data which are gathered originally for a certain purpose are known as primary data." — Horace Secrist (2016)

This research study is based on primary data in order to explore insights in the research question. Many types of primary research exist. As Driscoll(2011) summarized in his work, this guide is designed to provide an overview of primary research that is often done in writing classes:

Interviews: Interviews are one-on-one or in small groups, in question and answer sessions. Interviews will provide a lot of information from a small number of people and are useful when you want to get an expert or knowledgeable opinion on a subject.

Surveys: Surveys are a form of questioning that is more rigid than interviews and that involves larger groups of people. Surveys will provide a limited amount of information from a large group of people and are useful when you want to learn what a larger population thinks.

Observations: Observations involve taking organized notes about occurrences in the

world. Observations provide you with insight about specific people, events, or places and are useful when you want to learn more about an event without the biased viewpoint of an interview.

Analysis: Analysis involves collecting data and organizing it in a certain fashion based on criteria you develop. They are useful when you want to find some trend or pattern. A type of analysis would be to record commercials on three major television networks and analyze their portrayal of gender roles.

Due to the short number of Chinese companies and Chinese workers here in Portugal, and also the fact that the negotiations in companies are usually led by workers in a high position, In-depth interview is the chosen data collection method for this study. According to Kinnear & Taylor(1979), in-depth interviews may be defined as an unstructured personal interview which uses extensive probing to get a single respondent to talk freely and to express detailed beliefs and feelings on a topic, with little directional influence from the researcher. In the in-depth interview, discovering the most fundamental reasons underlying the respondents' attitudes and behavior is a more direct process. Interviews are a commonly used method in research practices, especially in qualitative research (Alan Bryman, 2012).

In-depth interviewing is a qualitative research technique that involves conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program, or situation (Boyce & Neale, 2006). We have discussed the six

research questions in the first part, so in order to get the relevant results to achieve the study objective, all these questions will be translated into several questions which will be responded to by ten Chinese workers who have negotiation experiences with Portuguese stakeholders in Portugal. The readers may find the interview guide for this study in the appendix 1.

The interview questions are semi-structured because it provides the researcher with large numbers of variables from the response of the interviewee. Alan Bryman(2012) states that a semi-structured interview lets the interviewees know that the interviewer has a series of questions that are somewhat general, as a form of an interview guide, which the researchers have to prepare before the actual interview takes place in order to make sure that the focus is kept.

These interviews were conducted by e-mail and Wechat (a Chinese chatting application) with each participant. Three of the interviewees accepted the interview and gave their answers in November of 2019. Another three interviewees took up the interview in January of 2020, and the other four did the interview in February of 2020. The original objective interviewees were 12, but two of them did not respond because they did not have time to accept this interview.

Participants:

These interviewees are those who are working or worked in Chinese companies in Portugal and also have some experience in negotiating with Portuguese stakeholders. They are from different companies, and among them are 9 Chinese workers from Chinese companies, being that just one works for FIDELIDADE, administered by the Chinese company FOSUN INTERNATIONAL GROUP. All of them have more than 4 years of working experience in Portugal, occupy major positions in their companies and conducted many negotiations with stakeholders on behalf of their companies. The details of these participants are as follows:

Position	Company	
СЕО	Qualive, LTD	Porto
Director of HR	MINQIAN INVESTMENT, LTD	Lisboa
Customer Director	FIDELIDADE of FOSUN INTERNATIONAL.	Lisboa
СЕО	ANPUCASAS, LTD	Lisboa
СЕО	XIANFENG MEDIA, LTD	Lisboa
Customer Director	SIGMA INVESTMENT, LTD	Lisboa
СЕО	NOVOEURO CAPITAL, LTD	Lisboa
Director of SCM	HUAWEI Portugal	Lisboa
СЕО	INTERCHECKIN, LTD	Lisboa
Customer Director	NOBLE FORTUNE	Lisboa

Each of the interviews lasted about 30 minutes, providing enough time for the interviewees to express their opinions and thoughts. Most of the interviewees responded to the questions via Wechat, which is the most used chatting application by all Chinese people. Only one of the interviewees responded by e-mail, as e-mail interviewing can be in many cases a viable alternative to face-to-face and telephone interviewing. E-mail interviews cost considerably 33

less to administer than telephone or face-to-face interviews.(Lokman I. Meho, 2006)

Participants were given these questions in the Chinese translated version, providing them with a more precise understanding of the content of the study. Not all of them master English very well, and in most cases they work in the Portuguese market with Portuguese people. Each question will be explained and discussed a little further by the researcher in order to ensure understanding from the respondents.

4. DISCUSSION

Introduction:

As mentioned before, this study's objective is to understand relevant cultural factors to identify more appropriate conflict-handling approaches employed by Chinese professional workers who develop negotiations with their stakeholders in Portugal, and offer guidance and reference to Chinese business people so that they can select more effective negotiation models to improve their stakeholder management. Based on this objective, it is important to answer the following set of questions:

- 1. How important is it for Chinese professionals to use negotiation to improve stakeholder management and handle their conflicts?
- 2. How about the Portuguese cultural difference in the negotiation process in the view of

Hofstede's cultural dimension theory?

- 3. Which type of stakeholders do you have your main conflicts with, and which are the most important for your companies?
- 4. Which is your main negotiation model in negotiation with your stakeholders?
- 5. What are the additional factors to the success of the negotiation with Portuguese stakeholders?

Before discussing how to analyze these questions, let's first confirm if all the participants satisfy the condition. In the questionnaire, the first question is *"Have you ever managed negotiations with Portuguese stakeholders on behalf of your company?*", all the participants selected the option "A", which means that all of them had experiences in negotiating with their Portuguese stakeholders. This is the starting point and is necessary for an ongoing study. It can offer us strong support in order to get useful information from their negotiating experiences, and count for us to draw more accurate conclusions on the questions that were given to the respondents, all of which occupy a high position in their companies. They stated that they usually have to deal with the conflicts with employees, banks, lawyers and constructions, suppliers and customers, sometimes also with the local government and community. Also owing to the distinction between the Chinese and Portuguese business culture, all of these factors compelled them to pick a more appropriate negotiation method to

handle the conflicts with their stakeholders. As one CEO said "we run a business in a foreign market, in Portugal, it is necessary for us to treat the conflicts with Portuguese people in an understandable negotiating manner so that both of the parties can resolve the problems and achieve mutual benefits." So, it is concluded that these respondents are reliable in order for us to continue the following questions and reach proper conclusions for this study.

Question 1

To respond to the first objective question "*How important is it for Chinese professionals to use negotiation in order to improve stakeholder management and handle their conflicts?*", in the questionnaire, question 2 is exactly meant to find the answer of the respondents to this question. The results are as follow:

Number of	Content of Answer	
Respondent		
Respondent 1	Very important;1.the fundamental cause of conflicts is that	
	the interests of stakeholders are threatened, so conflicts and contradictions	
	arise. 2. With communication, you can understand the cause of the other	
	party's dissatisfaction, eliminate doubts, contradictions and conflicts.	
	3.Negotiations can achieve harmony between stakeholders, achieve	
	economic goals, obtain more information, and gain opportunities to develop	
	markets.	
Respondent 2	Very important; 1.Business negotiation is a means for enterprises to achieve	
	economic goals;	
	2. Business negotiation is an important way for enterprises to obtain market	

Number of	Content of Answer
Respondent	
	information;
	3. Business negotiation is an important force for enterprises to develop
	markets.
Respondent 3	Very important; Business negotiations can enable the two parties to reach an
	agreement when their core interests differ.
Respondent 4	Very important; 1.negotiation is an indispensable tool for mutual
	communication and consensus. 2.Only through negotiation, that is, through
	negotiation and communication, can the best way to resolve conflicts and
	contradictions be found.
Respondent 5	Very important; The negotiation can bring a better understanding of the other
	party's purpose, and can also put forward their own requirements, which can
	help the two parties to know whether they need to continue and in what way.
Respondent 6	Very important; Economic success is achieved by avoiding internal and
	external conflicts. Therefore, the importance of avoiding conflicts and trying for peaceful negotiations is very important for companies.
	I think this method is very important. 1.Communication can be an effective
Respondent 7	way to resolve conflicts. 2.In the field of commercial work, negotiation has
	taken a clear purpose and more effective communication, and can lay the
	foundation for the determination of business cooperation relations.
Respondent 8	Very important; Through negotiation, it is revealed the necessity of
Kespondent o	cooperation with the other party so as to achieve the goal of mutual benefit
	for both parties.
Respondent 9	Very important; It is necessary to have the two parties reach an
in spondent y	understanding and consensus on the problem itself through negotiation, and
	reallocate the benefits and services realized by the benefits.
Respondent	Very important; Through negotiations, we constantly eliminated the
-	ambiguity between the two parties and gradually reached the goal of
10	cooperation.

Firstly, it is necessary to evaluate their attitude regarding if it is important to use negotiation to deal with conflicts and improve their stakeholder management. Table 1 provided a very clear result, meaning that all of the ten participants think that it is very important to use negotiation in their stakeholder management and to handle conflicts with them. Each of participants gave some evidence to support their view, just as some of them provided some real examples from the negotiation process with the Portuguese stakeholders. It is shown that respondents 1, 3, 4 and 7 thought that companies can eliminate doubts, resolve conflicts and achieve an agreement and a consensus with their stakeholders by negotiation method. Some of the respondents even talked about some their real experiences from resolving their conflicts with stakeholders. Among them, for instance, respondent 1 gave an example of when she tried to deal with the conflicts between her and the Portuguese employees. As it is known, the Chinese company culture is different from the Portuguese, and there are also differences in several aspects of the company rules and working criteria. For example, Portuguese workers don't like to work overtime, or bring work back home, and they usually cannot accept a lot of pressure in their work. So, she thought it was necessary to negotiate with the Portuguese employees so as to achieve a satisfactory working routine for both parties. On one hand, the company could get higher efficiency and a better relationship inside the company, and on the other hand, the Portuguese workers could get better pay and also feel more comfortable in the Chinese company. This point is also consistent with Pillutla, M. and Nicholson(2004), as negotiation is a process through which two or more parties who are in conflict over outcomes attempt to reach an agreement. Negotiation is a process of resolving conflicts between different parties into a common position where all the parties can realize their interests and goals.

Respondents 7, 8, 9 and 10 stated that negotiation can achieve the mutual benefits of two parties and optimize their cooperation. Respondent 9 explained that their company always needs to face the conflicts and inconsistency with their suppliers concerning prices of materials, quality and the deadline for payment. Just through negotiation, putting all the issues on the table, and reallocating the benefits of two parties, the conflict can be solved and cooperation can continue. This point is recognized by Marzouk and Moamen(2009), being that negotiation is the most appropriate technique for conflict resolution with stakeholders, and can keep good relationships with stakeholders.

Some respondents like 1, 2 and 6 also mentioned that negotiation can help the firms reach economic goals and develop markets. Reasonable negotiations can help the company achieve high economic goals and gain more market share, but if one only focus on their own benefits, they will soon lose trust. In this aspect, they pointed out that it is important to find a balance between the company's economic goal and reputation loss. This is also relevant with Sun Sun W. Park, Joseph Ferrero(2013), as a successful negotiation involves satisfying two seemingly contradictory goals: maximizing personal gain while forming a positive interpersonal relationship with negotiation counterparts.

After analyzing the respondents' response to this question, the author considers that it is very

important for the Chinese professionals to apply negotiation so as to resolve their conflicts and improve stakeholder management.

Question 2

The great diversity of the world's cultures makes it impossible for any negotiator, no matter how skilled and experienced, to understand fully all the cultures that may be encountered.(Jeswald W. S., 2004). As it is known, this dissertation aims to study the negotiation method of Chinese people in Portugal, so it is inevitable to take the cultural difference of negotiation into account. In view of this, the author set six small questions that form the content of Six dimensions by Hofstede's (Hofstede, 2001), which is well accepted worldwide to study the cultural differences in international negotiation. His theoretical framework includes power distance, uncertainty avoidance, individualism, masculinity, long-term orientation, and indulgence. So, the author conveys some explained examples from each dimension to the respondents, in order to register their real experience on the cultural differences between China and Portugal. All the six questions are meant to answer the question: How about the Portuguese cultural difference in the negotiation process in the view of Hofstede's cultural dimension theory? The answers of the respondents for this question are shown in table 2.

N^a Q3.1 Q3.2 Q3.3 Q3.4 Q3.5 Q3.6

Respondent	Power	Collectivism	Masculinity	Uncertainty	Long-term	Indulgence
	Distance			Avoidance	orientation	
Respondent 1	В	А	D	А	В	В
Respondent 2	В	В	D	А	В	В
Respondent 3	В	А	Е	А	В	В
Respondent 4	В	А	Е	А	В	В
Respondent 5	А	В	С	А	В	С
Respondent 6	А	В	D	В	В	В
Respondent 7	В	В	С	В	В	В
Respondent 8	А	В	D	А	В	В
Respondent 9	С	В	D	D	D	В
Respondent10	В	В	D	А	В	В

Table 2: Source from the author

In the following paragraphs, the results of the participants will be analyzed. Every small question for the interviewees concentrates on the answers connected to one of the six dimensions divided by Hofstede's dimensions.

Power Distance:

To get the opinion of the intervieews on the dimension Power Distance, which is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. In negotiation, having mentioned the relationship between the Six dimensions and negotiation, it can be understood as the question: *Do key negotiations have to be concluded by the top authority in Portugal?* So, the degree of Power Distance can be concluded by analyzing the results of the Chinese respondents.

As we can see in table 2, 6 of them agreed that in their negotiating experiences the key negotiations were held by the top authority in Portugal. Three of them strongly agreed with this point, stating that, in Portugal, this is also complied with by the people who run an equal or higher position when they are having a meeting or negotiation. They feel the same because, in China, as we have mentioned in the second part, there is a high distributive inequality of power. Only one of the respondents declared not to be sure about this point, because at times their (Portuguese) lawyer partner didn't seem to be present at the meeting, being instead represented by an assistant.

After analyzing this result, the author thought that there is high Power Distance during the negotiation in Portugal, which is also consistent with the research results from Hofstede-insights website in the second part of this thesis: "Portugal's score on this dimension (63) reflects that hierarchical distance is accepted and those holding the most powerful

positions are admitted to have privileges for their position."

Collectivism

As for the second dimension, Collectivism, it can be said that in Collectivist societies people belong to 'in groups' which take care of them in exchange for loyalty, as stated in the literature of Hofstede Geert (2001). This dimension focuses on whether people like to be responsible for other members and if they treasure the long-term relationship. Therefore, to get a reasonable conclusion, as we have mentioned the relationship between the Six dimensions and negotiation, a point can be made by asking this question: *Is every replacement of one negotiator by another a serious disturbance of the relationship in the negotiation*?

In table 2, it is shown that 7 of 10 respondents agreed with every replacement of one negotiator by another being a serious disturbance of the relationship in the negotiation, and 3 of them strongly agreed with this point. One CEO reported that Portuguese people take responsibility for their family, friends and the people close to them. They usually put "we" before "I". In the second part, the results from the Hofstede-insights website also showed that the Portuguese have a tendency for collectivism. Consequently, the author concludes that the Portuguese society focuses on the collectivist culture.

Masculinity

According to Hofstede Geert (2001), a high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner/best in field – a value system that starts in school and continues throughout organizational life. The author used this concept to make up a question about negotiation for respondents: *Do Portuguese negotiators tend to resolve conflicts by fighting rather than compromising*?

In table 2, we can see that 6 of 10 thought that, in Portugal, people do not tend to resolve conflicts by fighting, just as 2 who picked option E. They stated that Portuguese people focus more on the relationship and the quality of life and work, they don't have a strong culture of competing and fighting for their goals. This is very different from the Chinese culture on this issue. 2 of them said that they are not certain because they also met some Portuguese negotiators who were very competitive. Alongside the results from Hofstede-insights website, the author thinks that, in Portuguese negotiations, people tend to resolve conflicts by compromising.

Uncertainty Avoidance

The dimension Uncertainty Avoidance can be defined by the extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these, as reflected in the score on Uncertainty Avoidance (Hofstede, 2001). It means that it is easy for people to get anxious about the future and its consequent uncertainty. They like to be secure and organized before acting. We have mentioned the relationship between the Six dimensions and negotiation, so the author set this question about negotiation with this concept to respondents, that is *Does the Portuguese negotiation culture prefer highly structured, ritualistic procedures during negotiations?*

From the results in table 2, it is clear that 7 of 10 strongly agreed that Portuguese negotiators prefer highly structured, ritualistic procedures during negotiations. 2 of them also agreed with this point. The director of an HR department stated that Portuguese workers prefer to work under structured indications, and a sense of safety is very important to them. Only one respondent expressed an opposite attitude, stating that Portuguese people don't care a lot about their future and don't feel anxious about the uncertain future. There is a conclusion that, in Portuguese negotiations, it is important to make them feel confident about long-term cooperation and the uncertain future.

Long-term orientation

Hofstede Geert (2001) defined that this dimension describes two types of societies. A normative society would score low on this dimension, for example preferring to maintain time-honoured traditions and norms while regarding societal change with suspicion. A society with a culture which scores high, on the other hand, takes a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future. As we have mentioned in 2.9., it can be asked in this way to get the required information: *Do*

Portuguese negotiators exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results?

From the results in table 2, we can see that 9 of them all agreed that Portuguese negotiators exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results. They said that Portuguese negotiators focus more on the normality of life and don't put themselves under a lot of pressure to achieve an objective in the long-term future. "This is very different from the Chinese culture", one CEO told the author. Only one respondent disagreed with this point, saying that nowadays more and more young generations tend to work and study hard to realize their goals in the future. Considering the results from the Hofstede-insights website, it can be defined that, in the negotiation, Portuguese people focus on quick achievements and not a long-term development.

Indulgence

According to Hofstede Geert (2001), this dimension is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. Relatively weak control is called "Indulgence" and relatively strong control is called "Restraint". Cultures can, therefore, be described as Indulgent or Restrained. As previously analyzed in 2.9., we can get the results by asking in this way: *Do Portuguese negotiators focus on freedom in a negotiation, or encourage debate and dialogue in meetings or decision making*?

This part of analyzing the result of the respondents is more interesting, because 9 of them agree that Portuguese negotiators do focus on freedom in a negotiation, or encourage debate and dialogue in meetings or decision making, which means that they thought Portugal was an indulgent society and that in negotiation people cannot restrain their desire to achieve the end. In other words, they usually express evidently what they want in the negotiation. But according to the results from Hofstede-insights website, Portugal is a restrained society and people don't put emphasis on the leisure time. At this point, the author thought that Portuguese people nowadays tend to give more importance to their leisure time, but the author agreed that Portuguese people can constrain their desire to some extent, so the author advised that the Portuguese negotiators are more restrained than indulgent.

Question 3

The third question we need to gather the answer to in the research is *Which type of stakeholder causes the main conflicts and which are the most important for your companies?* To answer this question, the author designed other two questions, which are questions 5 and 6 in the questionnaire, based on the content of the relationship between negotiation and the Six dimensions, to see *what are the major conflicts between the internal stakeholders in your company?* That is because this question is a good introduction to then deepen the main question. The author sorted out the results of the respondents into the following tables. Table 3 is the result of question 5 and question 6, and table 4 of the main question *Which ones do you consider the most important to manage conflicts with by*

negotiation?

Q5: What are the major conflicts between the internal stakeholders in your company?

Q6: What are the major conflicts between the external stakeholders in your company?

N ^a	Q5	Q6
Respondent		
Respondent 1	А	В
Respondent 2	А	D
Respondent 3	С	D
Respondent 4	А	D
Respondent 5	В	D
Respondent 6	А	D
Respondent 7	С	С
Respondent 8	С	С
Respondent 9	В	А
Respondent10	А	D

Table 3: Source from the author

Which ones do you consider the most important to manage conflicts with by negotiation?

Number of	Option	Content of Answer
Respondent	Option	Content of Answer
Respondent 1	С	Equally important, here is why: The success of an enterprise depends not only on the internal coordination of the company, a solid relationship with customers, but also the support and promotion of external stakeholders. Only when internal and external stakeholders achieve a balanced and harmonious relationship can the company develop sustainably.
Respondent 2	С	Regardless of internal or external stakeholders, they always depend on the negotiating position and the outcome of the negotiations, and their interests are the driving force behind success. Therefore, we should formulate a plan that takes into account the interests of both parties to maximize their success.
Respondent 3	С	The best way to negotiate is to explain the conflict itself. However, there is often no persuading part or persuaded part, but with the clarity of the event, a better solution for both is often present.
Respondent 4	С	In business negotiations, the true goal of the negotiator should be to satisfy the substantive interests pursued by all the parties related with the company, if want to achieve a sustainable success.
Respondent 5 A	External stakeholders are a problem that every company will face. Companies must master internal management and resolve conflicts among internal stakeholders through various methods (including negotiation).	
Respondent 6	А	During development and implementation of strategy, the focus should be on whether internal participants accept the strategy. Because they have both power and interest, and even think about their own interests, their relationship with them, that is also the most difficult point to handle because they can exert a

		powerful influence.
Respondent 7	A	Due to the inherent contradictions of functions, the struggle for power and benefits, the similarities and differences of values, etc., there will be constant conflicts within the organization, the destructive or constructive nature of organizational conflicts, so the most important part in negotiating for a company is the
Respondent 8	A	External stakeholders often have fixed rules and regulations, and it is difficult to negotiate further through negotiation, while the needs of internal stakeholders are more flexible, and they can communicate through negotiation. Both parties can make concessions if necessary. It is more likely that the negotiations will succeed.
Respondent 9	С	I think it is equally important, because the essence of negotiation is that it is possible to reach a common understanding, and agreement on certain emerging issues. Everyone in the workplace, both inside and outside, is driven by interest, and seeks a corresponding result around the interest to achieve his or her company's expectations.
Respondent 10	С	I think it is equally important, from my experience and understanding, both external and internal stakeholders are equally important to our company, because the development of a company requires internal and external support, and the company needs both internal and external negotiations to resolve some contradictions, eliminate differences, and achieve consistent goals.

Table 4: Source from the author

From table 3, for the question *What are the major conflicts between the internal stakeholders in your company?* we can see that 6 of 10 selected A, and they thought internal resource dispute and investing priority is the major conflict inside the company; 2 of them picked B, they considered that the customers' expectation regarding services or products is the major conflict between the internal stakeholders; 3 of them supported that investors and creditors' expectation for profitability is the major conflict. It is obvious to conclude that, in most cases, the internal resource dispute and investing priority is more important for the company to deal with.

For the question *What are the major conflicts between the external stakeholders in your company*?, it also can be seen in table 4, that 6 respondents thought national and local political organization is the major conflict outside of the company; 2 of them considered that the relationship with local authorities such as trade union is the major conflict; and for options A and B, each of them is followed by one respondent, who supported that the local community and environmental authority are the major conflicts between the external stakeholders. Taking the explanation of the respondents into account, the author thought that the national and local political organizations are the major conflict in the external stakeholders, because since Chinese companies are in the foreign market, they are completely influenced by the national and local political decisions. Every change in this aspect can even decide the destiny of the companies.

After analyzing the opinion of the respondents on the external and internal stakeholders, we will go deeper to analyze the main question, *which ones do you consider the most important to manage conflicts with by negotiation?* The results have been shown in table 4, and 5 respondents chose C, so they considered that it is equally important to manage the external

and internal conflicts of a company. They explained that this owes to the fact that the success of the company depends on covering the interests of all parts. For example, one CEO added: "Regardless of internal or external stakeholders, they always depend on the negotiating position and the outcome of the negotiations, and their interests are the driving force behind its success. Therefore, we should formulate a plan that takes into account the interests of both parties to maximize their success." However, the other 4 respondents considered that internal conflicts should be more important for the company to handle through negotiation. This is because, as they stated, in the same industry all the companies face the majority of the same external stakeholders, so the capability to resolve the internal conflicts by negotiation is the vital point to the success of the company.

After debating the question, the author thought that for the company that runs a business in the Portuguese market, it is also important to take the external stakeholders as the most important position to resolve the conflicts by negotiation. However, I also agree with the respondents who thought that the capability of solving internal conflicts is the core for the company. The author thought that, for Chinese companies in Portugal, it is equally important to consider both parts in the first position in order to improve management by negotiation.

Question 4

As for the fourth objective question *Which is your main negotiation model in negotiation with your stakeholders?* The author designed two separate questions based on this question in the questionnaire for the interviewees. They are respectively question 7 and question 8 in the questionnaire: *When faced with Portuguese stakeholders who are competing, is your response using the same competing approach, as an attack, or will you take a cooperative approach to lead them towards an agreement?*; *Which negotiation style do you suggest in negotiations to improve stakeholders management?* The respondents' results for question 7 are shown in table 5 and the results for question 8 are in table 6.

When faced with Portuguese stakeholders who are competing, is your response using the same competing approach, as an attack, or will you take a cooperative approach to lead them towards an agreement?

Number of Respondent	Option	Content of Answer
Respondent 1	А	Negotiation is intended to achieve a win-win situation, which is its ultimate goal. If we adopt a competitive approach, we will both lose. Not only will it affect the development and stability of your own company, but the other party is also likely to achieve its purpose.
Respondent 2	А	Collaboration can create greater business value, and a win-win situation can be developed closely and steadily.
Respondent 3	А	The purpose of cooperation is to achieve a win-win outcome, which is the ultimate goal of negotiation.
Respondent 4	A	The purpose of cooperation is to achieve a win-win outcome, which is the ultimate goal of negotiation.
Respondent 5	A	The necessary compromise is a conditional concession by the two parties, in order to meet their respective needs or to actively seek the respective preferential treatment of the other

		party.
Respondent 6	А	Negotiations must not only focus on their own interests, but also try to figure out the needs of the other party and find commonality, or common interests, out of the conflict of interests with each other.
Respondent 7	А	Adopting a collaborative model and avoiding competition as much as possible can alleviate market imbalances caused by malicious competition.
Respondent 8	A	The negotiator should first abandon the principle of insisting on a position, and should pay attention to and try to find out where the substantive interests of both parties are. On this basis, they should apply some methods recognized by both parties to seek the realization of the greatest benefits.
Respondent 9	A	Yes. If there are still other possible benefits between the two parties, and the other party has confirmed that the competition negotiation method is to be adopted, in order to obtain a part of the benefit distribution and maximize their own benefits, the collaborative method can demonstrate the willingness to cooperate and gain the trust of the other party. This can bring more opportunities for cooperation.
Respondent 10 A		If we only focus on short-term benefits and neglect long-term development partnerships, then for us, we are doomed to fail. Only by cooperating with each other it is possible to maximize the interests of both parties, so that we can develop sustainably.

Table 5: Source from the author

Which reactifier style do you	suggest in pegotiation	s to improve stakeholde	n man a a am an t?
Which negotiation style do you	suggest in negotiations	s io improve siakenoiae	r management?

Number of Respondent	Option	Content of Answer
Respondent 1	В	These kinds of conflicts cannot be resolved through distributed

		negotiation, traditional negotiation and automatic negotiation.
		Therefore, it is necessary to conduct integrated negotiations
		and resolve conflicts, to comprehensively coordinate the
		interests of all parties, and to reach the satisfaction of all
		parties to improve the management of stakeholders.
		The object of the negotiation is to find a focus where both
		parties can reach a consensus, not only considering their own
Respondent 2	В	interests or immediate interests, but also the interests of the
		other party. It is even more important to consider the value of
		sustainable development of cooperative relationships.
		The Win-Win negotiation method is that the two parties regard
		the product as a common product for everyone, and the market
	P	as a common market. The common goal of the two parties is to
Respondent 3	В	sell this product in this market. On this basis, it is easier for
		both sides to reach a compromise on some core issues, and
		eventually promote cooperation.
		Negotiations need to be used to resolve the conflicts and try to
Respondent 4	В	find a solution that meets the needs of the two parties, as
		partners, so asto make conflicts less costly and risk less.
		An integrated approach can help to achieve a harmonious
		atmosphere to negotiate, and develop on the basis of the
Respondent 5	В	common interests of both parties, towards the ultimate goal.
		Moreover, under the trend of economic globalization, this
		method can allow managers, investors, and employees to grow.
		From the perspective of advocacy and development trends, a
	_	"win-win negotiation" is undoubtedly the best way to resolve
Respondent 6	В	contradictions and guarantee the interests and needs of both
		parties.
		Everyone wants to get a good result in a negotiation.
		Therefore, a win-win situation is an acceptable result for all
Respondent 7	В	parties in the negotiation. For this reason, a win-win situation
		in any type of negotiation is a simple and quick way to end this

		conversation.
Respondent 8	В	The purpose of "win-win" negotiations is to find a solution that makes both sides of the negotiation win. The result of "win-win" negotiations is that you won, but I did not lose. Both parties can profit from it, and the possibility of cooperation is even greater.
Respondent 9	В	The negotiating parties need to choose between them and seek more valuable ways of cooperation.
Respondent 10	В	I recommend a win-win negotiation approach to improve stakeholder management. Because the company is tied to all stakeholders, only if the company and all the individuals or groups involved reach a balance point can the company be stable and competitive in the long run.

Table 6: Source from the author

It is clear that the answers to all the interviews for the two small questions have a common factor, that is, all of them recommended that in any case, the integrated approach of negotiation (Win-Win) is the prioritized method to adapt for solving the conflicts with the stakeholders and improving their management. All of them gave some reasons why they preferred an integrated approach to negotiate with their stakeholders, as the ultimate goal of negotiation is to achieve the interests of both parties in a negotiation, being this the only way that the company can maintain sustainable and long-term cooperation and benefits. As one CEO said, "Let's take an example of our customers' competitive negotiation approach. The customer has made it clear to us that the quotations and service contents of other service providers are at the best price possible. In our opinion, even if you can't get a considerable profit by lowering the offer, the number of potential customers behind you can bring more

than the current single profit. We take a collaborative approach to match the customer's budget and fulfill the order."

After analyzing the previous part, one can conclude that it is advisable to use the integrated method in the negotiation with stakeholders in Portugal to improve their management.

Question 5

The last question that needs to be analyzed is *what are other factors that affect the outcome of negotiation with stakeholders?* This question is also helpful for Chinese people who want to have some reference in working or running businesses in Portugal, because this question can help us get some other important and useful suggestions from the interviewees. The result is shown in table 7.

N ^a Respondent	Option
Respondent 1	A,B
Respondent 2	A,B,C,D,E
Respondent 3	A,B,C,D,E
Respondent 4	A,B,C,D,E

Respondent 5	B,E
Respondent 6	D
Respondent 7	A,B
Respondent 8	A,B,C
Respondent 9	A,B,D,E
Respondent10	С

Table 7: Source from the author

In table 8, the answers of the interviewees varied a little compared to the previous questions, but there are also some common points in their answers, as 3 of them thought that all the factors and cultural differences focus only on their own interests. Premature judgment, pressure to achieve goals and inadequate preparation, can affect the outcome of the negotiation. And 8 of the respondents all chose cultural differences and focus only on your own interests as more important additional factors to the effect of the negotiation. Few interviewees, however, thought premature judgment and pressure to achieve goals are the most important factors.

After analyzing this part, we can see that in a negotiation, there are still lots of other important factors that the success of the negotiation can depend on. In this case, the author concludes

that cultural differences and focusing only on your own interests are the most related factors to negotiation with stakeholders in Portugal, but the other elements are also important for improving stakeholder management by negotiation.

5. CONCLUSIONS

Today, with rapid economic development and increasing international exchanges, negotiating with stakeholders from different countries and different cultural backgrounds is be a difficult issue. In recent years, as Chinese companies trade and investment in activities in the Portuguese market more and more frequently, it is important for Chinese companies and workers to improve the management of stakeholders by being able to master the appropriate negotiation methods and understand the local negotiation culture in Portugal. This dissertation firstly introduces the theoretical concepts of stakeholders and the contradictions in stakeholder management. Then are provided the theory of negotiation and the negotiation models for dealing with conflicts with stakeholders. The research direction of this thesis is negotiating with stakeholders under two different cultures, in China and Portugal, so the author here draws the survey results of China and Portugal within cultural dimensions according to Hofstede cultural dimension theory(Hofstede, 2001). According to Pervez N.Ghauri & Jean-Claude (2003), the author built a relationship between the Hofstede cultural dimension theory and negotiation, because cultural factors also play a very important role in international negotiations.

In order to obtain an experienced negotiation framework for improving stakeholder management, the author conducted in-depth interviews with 10 Chinese professionals who operate companies in Portugal or are in senior positions in the company. The authors learned from how they used appropriate negotiation skills with their stakeholders in the negotiations, as well as their experience in negotiating with Portuguese stakeholders. The results of these surveys provide a very large record to form an effective and helpful reference.

In the last part of the article, through analysis of the survey results, the author gives relevant conclusions based on each question. For instance, the interviewees all agreed that negotiation is a very important tool for them to resolve conflicts with stakeholders. In terms of negotiation culture, the author also gives relevant conclusions, which provides readers with a great reference of cultural habits in the future development of negotiations in the Portuguese market. When selecting negotiation methods, all participants suggested and supported the use of win-win negotiation methods, because this is the best way to maximize the benefits of both parties and maintain long-term healthy cooperation.

In addition, Chinese professionals who want to come to Portugal to work or invest should know the Portuguese negotiation culture, especially the differences with the Chinese culture. It is also important to understand the main conflicts between the internal and external stakeholders and apply a proper negotiation model to meet common interests and handle conflicts. Here, like the author concluded, the integrated method (WIN-WIN model) is the best way to get a better negotiation. Moreover, there are also other factors that can affect the effectiveness of the negotiation, for example, premature judgment, pressure to achieve goals and inadequate preparation.

The author believes that this dissertation provides a very good reference for Chinese entrepreneurs or professionals who want to improve the management of corporate stakeholders and know important aspects of negotiation in the Portuguese market. The author also hopes that this paper will also contribute to the cooperation between China and Portugal.

However, there are limitations to the study and some other areas or studies in this field that can be further researched in the future.

Limitations and Future Research

The main limitation of this study is that the sample it is based on is still of limited size, because nowadays there are not many Chinese companies in Portugal, especially big listed companies. Another limitation is that the sample does not include many different areas of business, although the author tried to pick the samples from as many different commercial sectors as possible. Even so, the majority of observations in the sample come from investing companies. At this point, perhaps the companies of the same area have problems in common and similar ideas concerning the questions. After all, different companies face and have contact with different stakeholders. This limitation has some influence on the results.

Future Research

In order to overcome the limitations of the research that have been pointed out by the author, it is necessary to explore future research when there are more representative Chinese companies in Portugal and sort out the category of the companies to make the sample more precise and complete. The following are a few areas that can be explored for future research.

1. In the area of import and export, which method of negotiation do Chinese companies apply to improve stakeholder management?

2. In the sector of real estate, how do Chinese companies use negotiation strategies to resolve conflicts in the Portuguese market?

References

Alan Bryman. 2012. Social research methods. (4th ed.).Oxford: Oxford University Press.

Alfredson, T., & Cungu, A. 2008. Negotiation Theory and Practice: A Review of the Literature. *EASYPol*, module 179.

Chia-Jung, T.&Max H. B. 2009. A Decision-making Perspective to Negotiation: A Review of the Past and a Look into the Future. *Harvard Business School*,*25*(4): 467-480. Anthopoulos, L., & Xristianopoulou, A. 2012. Negotiation Models for Managing Projects: a Review. *International Conference, School of Management and Economics*, 25 (7):722-733.

Boyce, C., & Neale, P. 2006. CONDUCTING IN-DEPTH INTERVIEWS: A Guide for Designing and Conducting In-Depth Interviews for Evaluation Input. Watertown: Pathfinder International.

Bryman, A. 2004. Social research methods (2nd ed). New York,: Oxford University Press.

Carroll, A. B., & Buchholtz, A. K. 2006. *Business and Society: Ethics and Stakeholders management*. Mason: Thomson South-Western.

Chinyio, E., & Olomolaiyea, P. 2010.*Construction stakeholders management*. Hoboken: Blackwell Publishing.

Dawson, C. 2009. Introduction To Research Methods 4E. Boston: Little, Brown.

Driscoll, D. L. 2011. *Introduction to primary research: Observations, surveys, and interviews. Readings on writing*, Volume 1. West Lafayette, Indiana: Parlor Press

Durham, E., Baker, H., M, S., M., Moore, E., & Morgon, V. 2014. *The BiodivERsA Stakeholder Engagement Hand-bool*. Paris: BiodivERsA.

Falcão, P. 2008. Business networks: Development of actors'strategic guidelines from the analysis of negotiation situations in Portugal. ISCTE business school.

Fisher, R. ury william. 1981. *Getting to Yes: Negotiating Agreement Without Giving In*. New York: Penguin Books.

Freeman, R. E. 1984. *Strategic management: a stakeholder approach*. Boston: Pitman.

Friedman, A. L., & Miles, S. 2006. *Stakeholders: Theory and Practice*. Oxford: Oxford University Press.

Geert, H. 2001. *Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations*. 2nd. Thousand Oaks CA: Sage Publications.

Gordon, J. P. 1997. Alternative dispute resolution in the construction industry. *Dispute Resolution Jornal*, 41 (4): 99-107.

Harry, K. C., Kochan, A., T., & Colvin, A. 2015. The Negotiations Process and Structures. *Cornell University Press*, 79-101.

Jeswald, W. Salacuse. (2004). Negotiating: The Top Ten Ways that Culture Can Affect Your Negotiation. *Ivey business journal*, 9(1), 1-6.

Kinnear, T. C., & Taylor, J. R. 1979. *Marketing research : an applied approach*. New York: McGraw-Hill.

Lewicki, R. J., Barry, B., & Saunders, D. M. 2011. *Essentials of negotiation*. Boston: McGraw-Hill/Irwin.

Lokman I. Meho. 2006. The American society for information science and technology. *Journal of the American Society*, 25(2), 91–97.

Moura, H., & Teixeira, J. 2010. *Managing stakeholders conflicts*. Hoboken:

Wiley-Blackwell.

Pervez N.Ghauri, & Jean-Claude, U. 2003. *International Business Negotiation* (Pervez N.Ghauri, Ed.). Kidlington: Pergamon.

Pillutla, M. and Nicholson, N. 2004. *Negotiation: how to make deals and reach agreement*.LONDON: London business school.

Project Management Institute, Inc. 2013. *A Guide to the Project Management Body of Knowledge* (5th ed.). Newton Square, PA.

Rahim, M. A. 2002. Toward a Theory of Managing Organizational Conflict. *The International Journal of Conflict Management*, 13(3): 206-235.

Richard, E., W., & McKersie, B., R. 1965. *A behavioral theory of labor negotiations*. New York: McGraw-Hill/Irwin.

Sachdeva, J. K. 2009. Business Research Methodology Hardcover. Himalayan Books.

Saunders, M., Lewis, P. and Thornhill, A. 2007. *Research Methods for Business Students*.4th Edition. Financial Times Prentice Hall, Edinburgh Gate, Harlow.

Sun W. Park, Joseph Ferrero, C. R. C. & D. R. C. 2013. Narcissism and Negotiation: Economic Gain and Interpersonal Loss, Basic and Applied Social Psychology, *Basic and Applied Social Psychology*, 35, 569–574.

Tomas, K. 1992. *Conflict and negotiation progress in organization*. Polo Alto: DaviesBlack.Publishing.

Williams, C. 2007. Research Methods. *Journal of Business & Economic Research*, Volume 5, 53:252-332.

Zhang, T., & Zhou, H. 2009. The Significance of Cross-cultural Communication in 65

International Business Negotiation. 103–109. *International Journal of Business and Management*, 5(2):123-138.

Zohar, I. 2015. Leadership skills required for negotiation in time of crisis. *Procedia - Social and Behavioral Sciences*, 209:540-548.

Annex 1: Interview questionnaire in English

Interview questions

- 1. Have you ever managed negotiations with Portuguese stakeholders on behalf of your company?
 - A YES
 - B NO
- 2. How important do you think it is for a company to use negotiation in order to improve stakeholder management and handle conflicts?

-----Please give a brief explanation for your answer:-----

- 3. How do you think is the Portuguese negotiators culture?
- (1) Do key negotiations have to be concluded by the top authority in Portugal? (Power Distance)
 - A Strongly agree
 - B Rather agree
 - C It is hard to say
 - D Rather do not agree
 - E Strongly do not agree

(2) Is every replacement of one negotiator by another a serious disturbance of the relationship

in the negotiation? (Collectivism)

- A Strongly agree
- B Rather agree
- C It is hard to say
- D Rather do not agree
- E Strongly do not agree

(3) Do Portuguese negotiators tend to resolve conflicts by fighting rather than compromising?

(Masculinity)

- A Strongly agree
- B Rather agree
- C It is hard to say
- D Rather do not agree
- E Strongly do not agree
- (4) Does the Portuguese negotiation culture prefer highly structured, ritualistic procedures during negotiations? (Uncertainty Avoidance)
 - A Strongly agree
 - B Rather agree
 - C It is hard to say
 - D Rather do not agree
 - E Strongly do not agree
- (5) Do Portuguese negotiators exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results? (Long-term

orientation)

- A Strongly agree
- B Rather agree
- C It is hard to say
- D Rather do not agree
- E Strongly do not agree
- (6) Do Portuguese negotiators focus on freedom in a negotiation, or encourage debate and dialogue in meetings or decision making? (Indulgence)
 - A Strongly agree
 - B Rather agree
 - C it is hard to say
 - D Rather do not agree
 - E Strongly do not agree

This information aims to help you answer the following questions.

Internal stakeholders, are those who engage in economic transactions with the business.

(For example, stockholders, customers, suppliers, creditors, and employees)

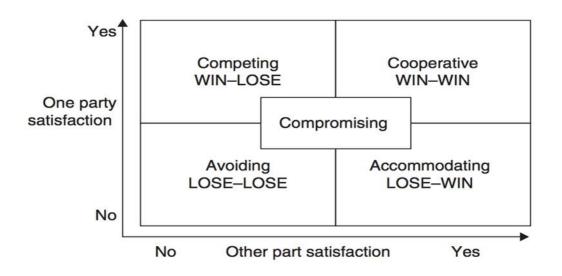
External stakeholders, are those who – although they do not engage in direct economic exchange with the business – are affected by it or can affect its actions. (For example, the general public, communities, activist groups, business support groups and the media)

For each of the external and internal stakeholders:

- 4. What are the major conflicts between the internal stakeholders in your company?
 - A Internal resource dispute and investing priority
 - B Customers expectation to services or products
 - C Investors and creditors expectation to profitability
 - D Relationship between employees and employees' requirements for better benefit.
- 5. What are the major conflicts between the external stakeholders in your company?
 - A Local community
 - B Environmental authority
 - C Relationship with the local authorities like trade union
 - D National and local political organization
- 6. Which ones do you consider the most important to manage conflicts with by negotiation?
 - A. Internal stakeholders, why?
 - B. External stakeholders, why?
 - C. Equal importance, why?
- 7 When faced with Portuguese stakeholders who are competing, isyour response using the same competing approach, as an attack, or will you take a cooperative approach

to lead towards an agreement?

- A. YES, why?
- B. NO, I also use a competing approach, why?



- 8. Which negotiation style do you suggest in negotiations to improve stakeholder management?
 - A. Distributive Negotiation ("win-lose"), why?
 - B. Integrative Negotiation ("win-win"), why?
- 9. In your personal experience, what are other factors that affect the outcome of negotiation with stakeholders?
 - A Cultural difference
 - B Just focusing on own benefit
 - C Premature judgement
 - D Pressure to realize the objective
 - E Insufficient preparation

Annex 2: Interview questionnaire in Chinese

采访问题

1.您是否曾经代表贵公司管理过与葡萄牙利益相关者的谈判?

A: 是

B:否

2.对于使用谈判来改善利益相关者管理和解决冲突的公司,您认为这有多重要?

------请简要说明您的答案:------

3.您如何看待葡萄牙谈判代表的文化?

- (1) 关键谈判必须由葡萄牙最高当局完成吗? (权力距离)
- A: 完全同意

B: 宁可同意

- C: 很难说
- D: 宁可不同意
- E: 强烈不同意

(2) 每次由一名谈判者替换另一名谈判者是否严重干扰了谈判中的关系? (集体主义)

- A: 完全同意
- B: 宁可同意
- C: 很难说
- D: 宁可不同意
- E: 强烈不同意

- (3) 葡萄牙谈判人员倾向于通过战斗而不是妥协来解决冲突? (淫秽)
- A: 完全同意
- B: 宁可同意
- C: 很难说
- D: 宁可不同意
- E: 强烈不同意
- (4) 在谈判过程中, 葡萄牙谈判代表文化偏向于高度结构化, 仪式化的程序吗? (避免不确定性)
- A: 完全同意
- B: 宁可同意
- C: 很难说
- D: 宁可不同意
- E: 强烈不同意
- (5) 葡萄牙谈判人员表现出对传统的尊重, 对未来的储蓄倾向较小, 并且注重取得快速成果? (长期方
- 向)
- A: 完全同意
- B: 宁可同意
- C: 很难说
- D: 宁可不同意
- E: 强烈不同意
- (6) 葡萄牙谈判人员在谈判中注重自由,还是在会议或决策中鼓励辩论和对话?(放纵)
- A: 完全同意
- B: 宁可同意

C: 很难说

D: 宁可不同意

E: 强烈不同意

此信息旨在帮助您回答以下问题。

内部利益相关者是那些与企业进行经济交易的利益相关者。(例如,股东,客户,供应商,债权人和员 工)

外部利益相关者是指那些虽然不与企业进行直接经济交换但仍受其行为影响或可以影响其行为的人。(例 如,公众,社区,维权团体,业务支持团体和媒体)

对于每个外部和内部利益相关者:

4.贵公司内部利益相关者之间的主要冲突是什么?

A: 内部资源纠纷和投资重点

B: 客户对服务或产品的期望

C: 投资者和债权人对盈利的期望

D:员工与员工要求之间的关系,以获得更好的收益。

5.您公司的外部利益相关者之间的主要冲突是什么?

A: 当地社区

B: 环境主管部门

C: 与工会等地方当局的关系

D: 国家和地方政治组织

6.您认为通过谈判管理冲突中哪个更重要?

A:内部利益相关者,为什么?

B: 外部利益相关者, 为什么?

C: 同样重要, 为什么?

7当面对竞争中的葡萄牙利益相关者时,您的回应是

使用相同的竞争方法来攻击他们,或者您将采取协作方法来引导他们达成协议?

答:

A: 是的, 为什么?

B.不,我也使用竞争方式,为什么?

8.您在谈判中建议哪种谈判方式以改善利益相关者的管理?

A.分布式协商("双输"),为什么?

B.综合谈判-("双赢"),为什么?

9.根据您的个人经验,还有哪些其他因素会影响与利益相关者的谈判结果?

A: 文化差异

B只关注自己的利益

C过早判断

D实现目标的压力

E准备不足