



## Cross-cultural Negotiation Conflicts: The Myanmar Case

Annamária Sasne Grosz<sup>1\*</sup>, Laszlo Jozsa<sup>1</sup>, Sandi Maung<sup>2</sup>

<sup>1</sup>Department of Marketing, University of Pannonia, Veszprém, Hungary, <sup>2</sup>University of Pannonia, Veszprém, Hungary.

\*Email: [sasne-grosz.annamaria@gtk.uni-pannon.hu](mailto:sasne-grosz.annamaria@gtk.uni-pannon.hu)

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### ABSTRACT

The economic role of Southeast Asia has deeply changed in the past decades therefore Central European companies turned to collaborate with many of them. However, the cultural differences can lead to fiasco. We focused on understanding the role of cultural background in business negotiation and potential conflicts of international businesses. In the qualitative phase, we looked for entrepreneurs and corporate professionals in Southeast Asia who (1) were native to the country and had contact with the European business world; (2) were European businesspeople operating in Southeast Asia. We prepared in-depth interviews with 10 people where questions concerned the differences between cultures, their business role, and personal experiences. We found that the business culture of the studied countries is primarily determined by the values of the Buddhist religion, characterized by a highly hierarchical structure and a large distance of power. The stable foundation of businesses is family relationships, they operate in a centralized way, characterized by one-person decision-making. Outsiders are not allowed access to the business, resulting in very low transparency. Due to some similarities between Central European business habits and Burmese culture cooperation is possible. Beside the description of a seldom studied country's business style, potential conflict situation was determined.

**Keywords:** Business Negotiation, Myanmar, Cultural Impact, Buddhism, Central Europe

**JEL Classifications:** F23, M14, M16

### 1. INTRODUCTION

In the globally interconnected economy of the 21<sup>st</sup> century, it is a natural aspiration for companies and institutions to internationalize their activities. However, it is still not obvious to many that this requires serious preparation, not only on how to credibly “sell” your own offer to a potential partner, but also on how to start making contacts and how to conduct your first meetings. As long as we stay within our own culture, this is not a major challenge, as we have the experience to do it, based on our track record. But what to do if negotiating partner is obviously from a different culture (Caputo et al., 2019)? What should we be prepared for? Who is the right person in the company to conduct the negotiation? There are so many questions that managers want to answer quickly and effectively.

Furthermore, to keep a company globally competitive, multinational businesses decided to manufacture products in target countries

instead export them. Working with foreign workforce, negotiating with foreign suppliers, selling to a market abroad – each of these aspects of business activities are influenced by culture, and decision makers should be prepared for cultural differences. Canen and Canen (2004) claim that there is a need to be sensitive to cultural characteristics of organizations and managers should first build trust among business participants. Trust can reduce barriers, helps to manage workforce diversity and through this, increases satisfaction and productivity. Tutar et al. (2014) mention some advantages of culturally diverse environment. First, it is simply more fun to work people with different cultural background. Second, diversity is one of the sources of creativity. Third, a multicultural environment is relevant to a global environment and market conditions can be better concerned in it. By all means, these advantages will help to flourish businesses only they are properly managed. However, different cultures may result misunderstandings, even conflicts – and we have to find the way

to manage them during building trustworthy therefore effective environment.

Trustworthy organization can be built on three levels: organizational cultural identity, workforce cultural diversity and customers' and companies' cultural diversity. For a European company planning business in Southeast Asia all of these levels will occur. The problem of cross-cultural management is crucial; efficiency of the company, organizational climate - including employees' feelings and well-being – are important in long-term partnership so we have to find a way to harmonize culture and cultural diversity at any level.

In recent decades, Asian countries, including the Southeast, have become more and more attractive as possible markets, and for the countries located in this region Central Europe has also been added to the list of potential investment locations and cooperation opportunities. According to one of McKinsey's latest reports (Kumra et al., 2022), Asian companies face new challenges in an extremely competitive environment, to which, according to the CEO's interviewed in the research, they are preparing to respond by focusing on highlighted areas. However, most of the studies, including this McKinsey report focus on economically developed countries, there is a lack of studies about economically disadvantaged countries. Maybe the importance of them is not big enough for large investor countries, but they can be interesting for smaller Central European countries and companies.

## 2. LITERATURE REVIEW

Lawrence et al. (2021) studied the impact of differences in cultural and institutional factors in field of mergers and acquisitions (M&A) and discovered the followings: all of the three steps of M&A can be influenced by cultural distance between participants, however, this influencing effect appears mostly in the initiation phase. Furthermore, their study shows that Top-tier advisors were successful in completing culturally distant deals due to their superior skills and expertise. These findings suggest successful negotiators should be well prepared at the beginning of any business process, not only with theoretical knowledge but also with some experience of the given culture.

At the same time, in Fam et al.'s study (2010), it has been specified that the distance between the cultures intending to do business, and the tendency of the respective cultures to approach the other, cannot be neglected. Fam et al. theory, called chopsticks marketing, is based on Confucian teaching which is a set of pragmatic rules directing people's behavior and relationships. The values and rules, like proper living, respect of authority, desire for harmony, conservatism, contentedness, tolerance of others, order, and stability, are taught and practiced by Far-East families (not only Chinese ones). In the marketing practice it means a continuous cooperation between the business partners understanding local customs and habits, accepting the local customer behavior.

### 2.1. Business Relationships in Myanmar – Present and Future Possibilities

The purpose of the research mainly is to discover Myanmar's business culture and negotiation's habits from the viewpoint of a

possible future investment by Central European companies. Due to the lack of direct business relationship between this region and specially Myanmar, we decided to use Western (mainly American) cultural characteristics as a moderating element, and compose conclusions with comparison among Western, Central European and Burmese culture. To be able to complete it, the main characteristics of each of them have to be discussed in a nutshell.

Grosse (2011) summarized literature on the global managers' perceptions about cultural issues in field of business. She found Americans definitely result oriented, who are interested in knowing the final expected results, costs of them and deadlines when results should be achieved. They work hard, because their self-image is based on actions, and actions can speak better than what they say. Their working style is truly competitive and aggressive, not avoiding conflicts and confrontations during negotiation but taking risk as an opportunity. Business and personal time and issues are separated from each other; they don't tend to discuss personal life with co-workers. Due to their monochronic viewpoint, they are obsessive about punctuality and deadlines. They say exactly what they mean: 2PM means definitely 2PM, and no means no. USers easily say no, they suppose it is easier than not to keep the given word.

Although countries in Central Europe find themselves different from each other, historical and geographic background makes them culturally similar, and Central Europe often is considered as a mediator between West and East. Luboviecki-Vikuk (2021) completed a complex literature analysis about Central and Eastern European countries and summarized important details. Greetings happen mostly with handshake, differences could be found whether the female or male partner shows hand first. Titles are important, so as part of introduction titles are mentioned together with participants' surname. Rank, professional and/or academic degree is respected during the whole process. According to business meetings, punctuality is important – in some countries (e.g. Belarus) it is meant in relation to the guest. Meetings often are held in restaurants, pubs, which means negotiation happen during lunch, or cocktail party. Negotiations are moderately ceremonial and monochronic, but sometimes polychronic attitude appears. Several meetings ends with a final decision, however, due to bureaucracy and requirement of administrative approval many times negotiation process is prolonged. Style of discussion can be described with modesty, mildness and humility is admired. Several countries consider participants' rank as an important factor.

Southeast Asian countries are economically different, still traditional values are common and Southeast Asian businesses reflect many of them in leadership, management and how to develop businesses. Cross-cultural studies found differences between West and Southeast Asian countries in problem solving approaches as well, and it seems these are persistent (Barkema and Vermeluen, 1997; Barkema et al., 2015). The most meaningful contrasts lies in individualism-collectivism and consideration of power distance. Collectivism can be seen in importance of networks. Belonging to a group is more important than being individual; as a result family bounds are tight and family issues weaves through workplaces and tasks as well. Sense of belonging is so strong that they make distinction between in-group and out-groups persons

resulting in low level of trust in foreigners, therefore preliminary relationship building is a must (Wang and Chung, 2020). As Purwanto et al. (2020) noted, corporate image has a significant effect on trust: the better the corporate image, the higher the trust will be,; such as, during building relationship companies should improve their image taking culturally important habits and rules into their consideration. Power distance is embodied in the autocratic management mode, one-person decision making and total control. Employees respect authorities and follow the decisions without criticism and questions; additionally interest in changes the existing ones is very low. Further attribute is the high-context communication style where people avoid conflicts due to use of contextual suggestions (Zhou et al., 2021).

## 2.2. Potential Sources of Problems in Cross-Cultural Business Relation

It is easy to see from the description of business habits and mentality of the three mentioned regions that meetings among them could be problematic. It starts right at the beginning with punctuality which is crucial for Westerners, important for Central Europeans but absolutely indifferent in Southeast Asia. Close family relationships in business and family life appearance in working hours (through talking about family events; frequent phone calls, etc.) are common in Southeast Asia, may frustrate Western partners, and be acceptable in Central Europe. Strategies are task-related in Western countries and mostly in Central European countries, but in Southeast Asian countries those are relationship-oriented and it is better if they reflect core values and integration with community (Nisbett et al., 2001). Competitive and aggressive working style of West definitely is in contrast with the polite and mild communication style of Central Europe just like with peaceful style of Southeast Asia. Not asking questions and not-to-say-no habit are bound to politeness and respecting higher rank negotiators in Southeast Asian countries, to respect of academic or professional rank of negotiator in Central Europe, contrary to the West where no questions mean acceptance and agreement. Additionally, lack of criticism and proactivity in Southeast Asian countries often results in serious problem situation in case of unexpected events which can be easier managed in Western and Central European countries. The probability of occurrence of the above mentioned problems is supported by Smite et al.'s (2021) findings, who's research topic was agile way of work in Swedish-Indian joint groups.

As it was mentioned in the first part of the introduction, cultural diversity can leads to a more attractive and creative business environment, but now it is clear, that the above described differences in mentality and culture may cause many difficulties and must be managed. The question is evident: what is the best way to prepare for and supervise these hardships?

## 2.3. Model of Cross-Cultural Competence

Many scientific and also business studies identify as a key factor what Gertsen (1990, in Johnson et al., 2006) calls "cultural competence" (CC) - the ability of individuals to work effectively in a culturally different environment. After a detailed analysis of the literature in which they examined the fields of international business, workplace diversity and intercultural communication, Johnson et al. (2006)

defined cross-cultural competence as follows: "in international business life, the individual's ability to adapt in behavior in order to rely on his knowledge, skills and personal qualities be able to work effectively and successfully with people of different national cultural backgrounds at home or abroad" (Johnson et al., 2006. p. 530). The novelty of the definition is that, in addition to knowledge and skills, it emphasizes their application (Chiu et al., 2013). Based on the definition, the CC complex model has been developed.

Khakhar and Rammal (2013) confirm the importance of the ability to act over knowledge and learning. In their study, they investigated the success factors of business negotiations among Arab managers. For their research, they used Ghauri's (2003) comprehensive model for international business negotiations as a framework. Accordingly, the negotiation process consists of a pre-trial stage, a personal negotiation stage and a post-trial stage. These phases are influenced by (1) background factors: which include the objectives of the negotiations, the environment/venue of the negotiations, the involvement of third parties such as government bodies and the individual negotiating parties; (2) the atmosphere: which focuses on whether the negotiations take place in a conflictual/cooperative environment, the power/dependence relationship between the parties and the expectations regarding the lifetime of the deal; (3) strategic factors: these include knowledge of formal/informal presentation, the strategy used by the negotiating parties, the decision-making process followed by the negotiating parties, and whether the parties need to use an agent; and (4) cultural factors: these consist of factors such as the parties' use of time, the negotiator's preference for individualism or collectivism, the high or low contextual pattern of communication, and the emphasis placed on personal relationships between the negotiators. It is not the subject of this research, but it should be mentioned that in reality, bicultural-based behavior is not uncommon and can have significant impact on CQ (Lakshman et al., 2021).

For those in academia, these models perfectly cover all the factors influencing the outcome of intercultural communication and international business negotiations, but how can one decide how successful a given organization, and even more so, its employees participating in the initial negotiations, will be in solving their task? As we have seen above, the acquisition of knowledge about a specific culture is a necessary but not sufficient condition for successfully coping in a cross-cultural situation, for this one must be able to apply the knowledge appropriately in the given situation. We can use personality-based methods or competency-based methods, or a combination of these, when selecting actors participating in the collaboration. No matter which one we choose, it is worth taking into account the elements in the participant's personality and competence set that show suitability for intercultural negotiation, which can be summarized as cultural intelligence. Cultural intelligence (CQ) places every situation in a cultural context and thus helps its interpretation (Pasztor, 2020), and the known measure of CQ shows how well a given person is able to effectively deal with intercultural differences. Li (2020) examined the relationship of these two main theories (CCC and CQ). As a key finding, it was diagnosed that people with low level of cross-cultural competence (CCC) do not maintain to develop motivational CQ, because they believe their own culture is the only reality. Behavioral CQ – the

one is important for successful business meetings and negotiations – can be developed only at higher level of CCC. It is to note, that cross-cultural competence is not constant, but a result of a learning process (Wilczewski et al., 2019), consequently it can be developed by trainings as well (Hutchings, 2003).

Cross-cultural competence models emphasize the individuals' knowledge about and preparedness for cultural differences. Not only the other cultures must be known – managers and other employees must know and understand their own culture as well. Chiu et al. (2010) described intersubjective perception and intersubjective culture as a reason why people sometimes not act on their personal values and beliefs instead they consider what they perceive as well-known in their culture. In order to avoid this effect in the research, the focus was on determining possible conflict situations than measuring respondents' values and beliefs.

#### 2.4. Problem Statement

Southeast Asian countries are open to accept investments from Western and Central European countries and many of them enjoy benefits of them already. Others, like less developed countries stand at the starting point and look for opportunities. Those who belong to the second group have to face serious difficulties in the multi- or international business world. Despite of huge amount of theoretical writings about what are the hypothetical differences among cultures and business relationships, they still suffer in uncertainty of how to deal with difficulties.

During the research the focus was on the practical side of exploring the problems: through experiences of experts who already are successful in an international environment it was planned to identify real conflict situations. Furthermore, in a later phase some methodology to control and manage most of them will be developed.

### 3. METHODOLOGY

It was planned to carry out a research advancing the study of this topic compared to previous researches. Szkudlarek et al. (2020) have identified the stages in the evolution of research on international business life in the light of changes in the central issues of analysis. According to their findings, an intercultural, context-rich exploration with individual perspective has been designed taking into consideration emotional values and personal well-being. Using personal interviews there was a possibility to discover generative approaches and dynamic intercultural conflicts; different cultural, economic background, roles and experiences resulted in the context in which answers could be interpreted. The interviews could be completed at individual level, but the questions focused on inter- and intra-personal interactions at workplaces, meaning emotions and how respondents felt themselves in certain situations.

Such entrepreneurs and business professionals in Myanmar were looked for who are (1) natives of the country and have some form of contact with the European/Western business world (6 persons); (2) European/Western business people operating in Myanmar (4 persons). Drawing on the network of contacts of the research team members, a series of in-depth interviews with 10 participants

was launched, where the main groups of questions were about the differences between the two cultures, their role in business and the personal experiences of the interviewees about conflicts. Questions were compiled based on Ghauri's model discussed in section of theoretical background, additionally questions was applied about willingness to learn according to the preliminary assumption, namely Burmese businesses are at the low level of cross-cultural competence.

The interviews were made in Malay, Burmese and English by one person who fluently spoke each language and had international business experiences as well. Using native languages of respondents could help to achieve a relaxed and informal atmosphere. Audio recordings were made with the permission of participants and transcripts were translated into English by the interviewer. We assessed the trustworthiness of the research by applying sets of criteria from former studies (Hirschman, 1986; Lincoln and Guba, 1985; Wallendorf and Belk, 1989). Table 1 demonstrate that data and analyses meet these criteria.

**Table 1: Trustworthiness of the study and findings**

Trustworthiness criteria	Method of addressing in our study
Credibility Confidence that can be placed in the truth of the research findings	<ul style="list-style-type: none"> <li>• Engagement in field: researchers and interviewer with international business experience</li> <li>• Member checks: respondents were informed about the first interpretations and could give comments</li> <li>• Use of peer debriefing: Research idea and presumptions were discussed with other academics</li> <li>• Result: Better understanding of core issues</li> </ul>
Transferability The degree to which the results of qualitative research can be transferred to other contexts with other respondents	<ul style="list-style-type: none"> <li>• Robust description of method and sample</li> <li>• Purposive sampling</li> <li>• Result: description allows comparison of our context to other possible context; greater in-depth findings</li> </ul>
Dependability Stability of findings over time	<ul style="list-style-type: none"> <li>• Stepwise replication: two researchers analysed the same data and compared the results</li> <li>• Peer examination: During the research researchers continuously discussed the process and findings with colleagues</li> <li>• Result: inconsistencies could be eliminated; peers contributed to deeper analysis</li> </ul>
Confirmability Interpretations and findings clearly derived from the research data	<ul style="list-style-type: none"> <li>• Triangulation: investigator triangulation: multiple researchers worked on investigating the interpretations</li> <li>• Result: reduce the effect of investigator bias</li> </ul>
Integrity Ensure that data were not fabricated by the informants	<ul style="list-style-type: none"> <li>• Interviews were professional, of a nonthreatening nature and anonymous</li> <li>• Result: participants were not trying to misinformation and evade the discussed issues</li> </ul>

Source: Author's own edition based on Hirschman, 1986; Lincoln and Guba, 1985; Wallendorf and Belk, 1989

## 4. RESULTS

Analyzing the interviews it was found, that Burmese employees and many times managers as well do not consider cross-cultural knowledge as an important part of their interest, therefore, many experiences were mentioned as problems between international business participants. Three areas can be distinguished within business negotiation conflict situations. These are (1) formal elements of negotiations; (2) running the business on a day-to-day basis; (3) beyond the bounds of legality.

### 4.1. Formal Elements of Negotiations

When it comes to meet a potential business partner, Myanmar people still consider that *punctuality* is not an important issue. They live their life as they used to meaning being late even with 30 minutes is normal. “If they say they are going to meet you at 1PM, in fact, you will meet them only at 1:30PM.” “The government officials are not punctual at all, but they expect you to be on time. There are times they postponed a meeting for a month.” (Local business man with Western experience). When finally they arrive, a Western partner should recognize, Myanmar people loves to wear traditional attires – both male and female managers. However, they can accept formal dress at the other side. Greeting each other happens on a common way: while handshake starts to disappear from Western culture (especially due to Covid) it never was considered as the norm of greetings in Myanmar. Furthermore, female managers do not want physical contacts with strangers and it is a Burmese custom consider women as untouchables. During the negotiation it is important for Myanmar people to use honorifics while addressing their partners, using ‘A Ma’ or ‘A Ko’ in front of their names to show respect. This respectful behavior becomes crucial as they think their Western partner is older and/or is higher ranking than them. “Even if are working as a head of department, you still must give respect to people from lower-level management due to age respect. There are times, these older people would not agree with your decisions, and you have no choice but to accept their arguments.” (Local business man with Western experience). No matter what their opinion is, it is *not polite to criticize* the partner’s suggestion, it is *not even appropriate to ask questions* during the business meeting. It derives from their polite and soft-spoken culture, as does the fact that they never say anything directly, but *speak implicitly*. The discussion is further complicated by the fact that the Burmese do not bother if a friend or family member calls them during the meeting, they simple answer the call – and it may occur often, because their overprotective family culture is shown in the fact that relatives call each other several times a day.

### 4.2. Running the Business on a Day-to-Day Basis

Naturally, some of the above mentioned elements of the culture of Myanmar appears in the everyday business situations as well. *Punctuality, implicit communication, lack of criticism, respect to the age and rank, answering family phone calls during meetings* influence business work continuously. Additionally some other possible source of conflicts has been discovered in the respondents’ answers.

Although managers significantly speak English well enough, most of the employees *struggle with language barriers* resulting

normally shy people will share their opinion less and their self-confidence decreasing. Respect and lack of confidence culminate in a perception of *feeling inappropriate to ask back* their superiors, so they keep quiet instead – even if the task was given or the situation is not clear for them. “...if they found someone who dare to ask back questions to superiors, they will get shocked and tell them, that they should not say this kind of things to them.” (Western business woman working in Myanmar at a western company). It is interesting that if, as a result, they do something incorrectly and receive *constructive feedback*, they tend not to accept it especially when the reason behind the feedback is not evident. “We have some stuffs who called sick days after receiving feedback from us about their mistakes because they are so emotionally upset. Also, even though they are told to solve a problem, they will solve it one time only. Subsequently, they will try to avoid the problem instead.” (Western businessman working in Myanmar at a local company).

Family and strong family connection are important for Myanmar’s local businesses, thus it is a cultural norm to *treat co-workers as brother and sister* during work. They tend to mix professional and personal relationships and issues, so it is common to share family related information with other employees. They not only share family content but they like *gossiping about company’s information* within the organization. As an outcome of lack of active restrictions and actions taken by an organization or government, people do not give much attention to the importance of confidentiality. Confidentiality is known in business organization as a code of conduct practices, but it is not commonly practiced ethically. “There was a HR strategy team workshop and team members were taking pictures. And they even posted a photo about the entire HR team strategy that they had planned on the social media.” (Western businessman working at a Myanmar company).

Family orientation can be caught in management style and decision making process also. In local businesses, *only top-level management does the decisions* and they do not really have a consideration towards the feedbacks receiving from lower level management and employees. Management system is centralized, final decisions must go through different person in charges and decision-making takes a long time. The reason behind is fear of taking risks and responsibilities; instead, *decisions goes through multiple layers of management* which is time consuming and even by Burmese is considered as unproductive but traditional way of doing business.

A special attitude appears according to how Burmese employees deal with e-mails and phone calls. There are some local organizations who *do not even read e-mails* regularly and phone calls can be the most effective way to communicate. They prefer to do jobs which is within their job scope and most of them are *unwilling to do extra miles* to work beyond it; and e-mails often could be judged as out-of-scope content. This phenomenon is closely related to keep their working environment relaxing and of slow pace.

### 4.3. Beyond the Bounds of Legality

We also have to mention some aspects of Burmese business life which are beyond the legally accepted norms of business from the viewpoint of Westerners.

*Transparency* helps to build trust and keep communication open; also it makes relationships among employees stronger and work may be more effective in a trustworthy environment. Business transparency level is very low in Myanmar, only the top-level management knows the objective of the company clearly from both financial and management aspects. *“For example, they do not release the budget for the organization publicly. We do not really know how the money is being distributed. Typically, in our culture, it is a public information.”* (Western woman, working at a Myanmar institution).

*Gift giving* is another sensible issue during Myanmar and Western partners' negotiation. Gifts should never be given during negotiations in Western cultures and it is also common not to give any gifts to potential customers or partners first time we meet them. In Myanmar, it is acceptable and commonly used habit to give some presents even at the first time business partners meet, just to show gratitude and appreciation for giving their time to meet up. *“It can be even regarded as a cultural norm and gifts are important for the first meeting. The gift can be anything as long as it is not money, it can be a dinner ticket for two, a corporate pen, calendar or a notebook.”* (Local business man with Western experiences).

## 5. DISCUSSION

During the interviews Western and Myanmar characteristics were compared; this resulted from the ethnic, educational and business ties of the selected interviewees. First of all, the findings have been summarized in Table 2 to emphasize possible conflict areas

between Western and Myanmar companies in field of business work. The aim is not only to show the contrast with Western countries, but also to show how Myanmar is different from the Central European region so the table has been completed - based on literature and experiences – with Central European specificities.

Most of the findings in Table 2 describing Burmese business culture derives from Buddhism. Not surprising since 87.9% of Myanmar's population practice Buddhism (2014 Census) and it was found for example that for Christians and Muslims hardly can get public sector jobs in the country (Matthews, 2001).

The influence and role of religion was analyzed in buying behavior by Aprianto et al. (2021). Religion makes influence on many aspect of people's life, attitudes and behavior; moreover, persons consider not complying their religious habits by companies as violation. Therefore, role of religion, Buddhism, may have crucial impact on business behavior in Myanmar.

Buddhist communication style is non-confrontational, they avoid public criticism, and ask questions that possibly leads to confrontation. They speak friendly and gently, and consider silence as way of communication also. Aggressiveness is not acceptable, because it violates the principle of compassion and harmony. Filial piety explains respect of age and rank, since it is about a virtue of respecting one's parents, elders and ancestors. Extra effort to achieve better results in work is not important because of lack of competitive mind. Buddhist like to choose cooperation

**Table 2: Possible sources of conflict situations among Myanmar, Western and Central European Countries**

Area of conflict	Cause of the conflict	Western countries	Myanmar	Central European region
Formal elements of negotiation	Punctuality	Important. Being late is waste of each other's time.	Tend to be late, approx. 30 min	Important. 5-10 min are acceptable
	Greetings	Handshake is a norm, but is disappearing	Handshake is not a norm, but acceptable	Handshake is a norm, but is disappearing
	Asking questions during meetings	Normal	Just listen, not polite to ask	Normal
	Use of critics during meetings	Normal	Not polite	Not polite
	Style of speaking	Explicit, direct	Implicit, indirect	Both direct and indirect
Running the business on a day-to-day basis	Answering calls during meetings	Not accepted	Normal	Depending on who calls
	Language barriers	Use of English is not problematic	Use and understand English with difficulties	Use of English is common, sometimes with difficulties
	Use of constructive feedback	Expected	Tend not to use	Normal
	Co-workers as family members	Personal and business life - separated	Personal and business life - mixed	Personal and business life – a little bit mixed
	Gossiping	Not acceptable	Common and acceptable	Common
	Decision making process	Simplified, effective	Complicated, takes long time	Complicated, takes long time
	Dealing with e-mails	Form of communication, important	Tend not to answer; use phone calls instead	Form of communication, important
Beyond the bounds of legality	Extra miles in work	Common	Never	Depending on reward
	Transparency	A must	No transparency	Only a few
	Gift giving	Never during negotiation; else there are limitations	Common	There are limitations

Source: Authors' own research

instead of competition according to Buddha's discipline saying not to compete with anyone, simply try to be better than you were yesterday (Chuang and Cheng, 2003; Mikulas, 2007). The pursuit for low pace environment explains why proactivity is not common in Myanmar. Proactivity goes together with risk taking, fast pace of work, continuous search for information, probably asking tons of questions which may be taken as an aggressive behavior – and these all are in contrast with polite and soft communication and attitude.

Although the main religion in Central Europe is Christian, business behavior is closer to Burmese habits, than the Western patterns meaning Central European organizations have a fairly good chance to find opportunities in Myanmar.

As it was mentioned, it was clear from the interviews, that Burmese business persons do not feel the necessity of intercultural and cross-cultural wisdom. Bhawuk (1998) describe this level of cross-cultural competence as the unconscious incompetence, where people often misinterpret others behavior without even knowing it. This is accompanied by low level of CCC, and lack of motivation to develop CQ. In opposition, those interviewees who can be considered as expatriates (studies and/or work experience in the West) proved, Burmese people can develop and be successful in intercultural business situations. Building motivation of Burmese employees and managers may be the way that makes influence on their behavior. Most of their present behavior stems from a lack of information: they have not learned that such cultural problems can occur, nor do they know what the cultures they are supposed to work with are like. According to Li (2020) motivation CQ can arise during developing affective component of CCC – meaning first we have to make Burmese business persons to understand what opportunities they can achieve with improved cross-cultural competencies. Increasing their comprehension toward the role of culture in business may be part of an entrepreneurship education, which is necessary to develop general entrepreneurial knowledge (Doan, 2022).

## 6. CONCLUSION

Everyone knows that Eastern countries belong to the high-context culture, while Western countries belong to the low-context one, and this has many consequences for communication between the two cultures. Contribution of present research to business negotiation studies is providing a picture of business life of seldom studied country, Myanmar, a potential destination of future investments. Furthermore, based on literature review and a primary qualitative research not only characteristics of Burmese business culture has been described but also possible conflict situations between European and Burmese business negotiators has been identified.

Despite obvious differences, findings suggest, Central European business is closer to Burmese business than it was thought. Based on similarities relationships may be built and there is a possibility to achieve improvement in attitude of managers and workforce of Myanmar. Not only their differences from Western culture stem from Buddhism, but also their desire to learn. Based on one of the teachings of Buddhism, one of Burmese's goals in life is to become

better person each day than the day before. This makes it possible to help them accept that, in order to boost the business life of their country, they should learn about the potential investment countries and their cultural characteristics. With the help of tolerance and respect for others, also based on Buddhist teachings, they are able to adapt to the expectations of the international business world without losing their own cultural values.

In this study, only a part of the questions asked has been answered, namely what to expect if a Westerner or Central European want to start a business in Myanmar. In the next part of the research, the goal is to use survey research to answer the additional question of who might be suitable for an intercultural negotiation in the case of the investigated cultures, and what solutions are recommended to be used. In the future, research aim is to develop case study and role play-based methodology to make it possible for Central European managers to get familiar with Burmese business culture and have some experience in cross-cultural negotiations.

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