INTEGRATIVE SEQUENCES AND NEGOTIATION OUTCOME IN SAME- AND MIXED-CULTURE NEGOTIATIONS

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This study uses Hall’s (1976) theory of low/high context culture with theories of interpersonal adaptation (Gudykunst, 1985; Patterson, 1983) to test communication preferences, flexibility, and effectiveness in same- and mixed-culture negotiation. Ninety-three same-culture low context (Israel, Germany, Sweden, and U.S.), 101 same-culture high context (Hong Kong, Japan, Russia, Thailand), and 48 mixed-culture mixed context (U.S., Japan, U.S.-Hong Kong) dyads negotiated a 1 1/2 hour simulation. Transcripts were content coded for direct and indirect integrative sequences and analyzed with hierarchical linear regression. Supporting the theory, results revealed more indirect integrative sequences in high context dyads and more direct integrative sequences in low context and mixed context dyads. Direct integrative sequences predicted joint gains for mixed context dyads.

KEYWORDS: Negotiation, culture, integrative, sequences, context

In today’s global market, one of the major frustrations facing businesses is that cross-cultural negotiations are difficult. Deals are getting done, but not without misunderstandings and frustration that may have both short- and long-term implications. As the top executives of five major U.S. business-to-business companies that landed deals to penetrate the Japanese market in the fall of 2000 noted, their biggest concerns involved cultural differences (Clark, 2000). One of the first places where cultural differences arise in international business is when East and West meet at the negotiation table.

There are many aspects of culture that may contribute to an East-West culture clash at the negotiation table. Negotiators may have different goals or different ideas about whether the other party is friend or foe (Hofstede, 1980; Triandis, 1995). Negotiators may have different expectations for the role of status and the use of power in negotiations (Hofstede, 1980; Schwartz, 1994). Negociations...
tiators with different communication styles may have trouble understanding each other (Erez & Earley, 1993; Hall, 1976). This study examines how different cultural norms for communication are related to sequences of negotiators’ verbal behavior and negotiation outcome in same- and mixed culture negotiations.

Previous research on communication behavior and culture has relied on frequencies of individual behaviors (e.g., Adair, Okumura, & Brett, 2001), but doing so ignores the fact that negotiation is a social interaction. Stable social structures are built not of individual behaviors, but of repeated behavioral sequences or interacts: pairs of acts and their associated responses (Weick, 1969). One negotiator’s behavior provides the stimulus for the other’s response. The second negotiator’s response provides the stimulus for the first and so on (Watzlawick, Beavin, & Jackson, 1967). At its most basic level, social interaction in negotiation is a series of dyadic interactions. Many negotiation researchers (Donohue, 1981; Putnam & Jones, 1982) have treated behavioral sequences as the fundamental building blocks of negotiation and used repeated sequences to reveal stable patterns of social interaction (Brett, Weingart, & Olekalns, 2004). This is because the pattern of communication behavior revealed by the frequencies of individual behaviors can be distorted by the dominant behavior of one negotiator. Sequences, in contrast, reveal how the negotiation develops as a social interaction.

Studying patterns of sequences of verbal behavior is particularly appropriate when investigating cultural differences because culture affects the way people communicate. For example, Hall (1976) identified fundamental differences in communication preferences between people from what he called high context cultures and low context cultures. Low versus high context distinguishes reliance on words versus contextual cues in communication (Hall, 1976). Low context cultures, typically nations in the West, rely on words to convey messages directly (Hall, 1976). High context cultures, typically nations in the East, rely on indirect cues and implicit communication to send messages embedded in words (Hall, 1976). In negotiation, this reliance on explicit versus implicit communication is evident in different styles of information exchange (Adair et al., 2001; Cohen, 1991). This study tackles the question of how cross-cultural negotiators can manage different information sharing styles to generate joint gains.

In this study I use Hall’s (1976) theory of low/high context communication and Anxiety Uncertainty Management theory of cross-cultural adaptation (Gudykunst, 1985) to develop the proposition that sequences of direct integrative behaviors are an effective way for cross-cultural negotiators to achieve joint gains. Prior to introducing this proposition, I use Patterson’s (1983) theory of interpersonal adaptation to hypothesize that low/high context communication norms will predict distinct sequences of integrative behaviors in low context same-culture, high context same-culture, and mixed context mixed-culture negotiation. This study both tests and contributes to Hall’s (1976) descriptive communication theory by using interpersonal adaptation theory to illustrate how low/high context communication plays out at the dyad level, i.e. how negotiators communicate and respond to the other party’s communication, and at the cross-cultural level, i.e. how mixed context mixed-culture negotiators overcome their different communication preferences to establish an effective means of communicating integrative information. The study also brings culture into the literature on behavioral sequences and negotiation outcome (e.g. Olekalns & Smith, 2000; Putnam & Jones, 1982).

Besides testing different hypotheses and relying on sequences to do so, this research extends the Adair et al. (2001) study on culture and negotiation behavior in another important way. The sample for hypothesis testing includes 242 negotiating dyads from 4 different high context cultures, 4
different low context cultures, and 2 mixed context samples. Thus, the sample provides a broader empirical test of Hall’s (1976) cultural theory of communication and offers greater generalizability.

CULTURE AND SEQUENCES IN NEGOTIATION

Theoretical Background

Negotiation is a process of communication involving the exchange of information on parties’ interests, positions, and needs. Communication that reveals the relative importance of issues, the relative preferences for issue options, and similar preferences across parties is relevant to creating value in negotiations (Lax & Sebenius, 1986) because such information can be used to make trade-offs and identify compatible issues that are fundamental to the development of an integrative agreement (Walton & McKersie, 1965). An integrative agreement is one in which both parties are satisfied and is usually measured in terms of joint gains, or the sum of the value of the deal for both parties.

In negotiation, integrative behaviors that convey information about priorities, similarities, and differences, can be direct or indirect. Without broaching the question of culture, Pruitt (1981) defined priority statements as a direct strategy for generating joint gains, and offered heuristic trial and error as an indirect strategy, though not necessarily reflecting a motivated search. It is clear why explicit information on priorities can help negotiators identify trade-offs and compatible issues. How offers convey this information, on the other hand, is more complex. Information on priorities and commonalities can be extracted from the offer context; how offers change over time conveys where a negotiator is more willing to move (less valuable issues) and less willing to move (more valuable issues). Adair et al. (2001) found evidence of these direct and indirect information-sharing strategies in U.S. and Japanese negotiations consistent with Hall’s (1976) low/high context classification.

Low versus high context captures a culture’s reliance on context in communication and information processing (Hall, 1976). Low context negotiators rely primarily on explicit verbal messages, while high context negotiators are more skilled in inferring meaning from context (Harris & Moran, 1991; Ting-Toomey, 1985). Therefore, communication tends to be more direct in low context cultures and indirect in high context cultures. Accordingly, Adair and colleagues (2001) found that low context U.S. negotiators were more likely to state their preferences directly while high context negotiators were more likely to reveal their preferences through offers, relying on the listener’s ability to infer meaning from the way that offers change over time. For example, a low context U.S. seller might reveal that financing is more important than price by directly stating, “I can be flexible on price if you can pay everything up front.” A high context Japanese seller might reveal the same information indirectly in the following sequence of offers (with reactions from the other party and intervening conversation not reported here), “I can sell it to you for 6 million with payment up front in year 1;” “What about 6.1 million with payment over 3 years?” “How about 5.8 million with payment in year 1?”

Adair et al. (2001) also found that in same-culture negotiations, explicit information was related to joint gains for U.S. negotiators and offers were related to joint gains for Japanese negotiators. In US-Japanese negotiations, the Japanese negotiators adapted their information sharing behaviors to the more explicit US style, but the US negotiators did not understand the Japanese negotiators’ preferences and joint gains were low. Apparently, successful cross-cultural communi-
cation takes more than simply using the same behaviors. This study will develop the proposition that using direct integrative behaviors in reciprocal sequence is one way for mixed context cross-cultural negotiators to identify a common integrative focus and get the information they need to generate joint gains.

The tendency for Western culture negotiators to use sequences of similar negotiation behaviors and for those sequences to be related to negotiation outcome is widely documented (Brett, Shapiro, & Lytle, 1998; Olekalns & Smith, 2000; Weingart, Prietula, Hyder, & Genovese, 1999; Weingart, Thompson, Bazerme, & Carrol, 1990). Patterson’s (1983) functional sequential model of interpersonal adaptation offers predictions for how culture may affect behavioral sequences. Specifically, the theory suggests that both interpersonal and normative similarities are predictors of behavioral matching. Gudykunst’s anxiety uncertainty management theory of interpersonal adaptation offers predictions for how culture may moderate the impact of behavioral sequences on negotiation outcome. Specifically, he suggests in a mixed-culture encounter, people attend to communication and behavior cues more than in a same-culture encounter. Together with Hall’s (1976) low/high context communication, these theories offer a compelling story for the role of sequences in cross-cultural negotiations.

Communication Norms and Dyad Composition as Predictors of Behavioral Matching

In a same-culture encounter, negotiators have been socialized to communicate in a similar fashion and behavioral matching should come quite naturally (Kim, 1988). The complexity of behavioral matching in cross-cultural negotiations comes from the fact that not all negotiation behaviors are equally normative in all cultures. As noted above, for example, U.S. negotiators are more likely to share information through explicit statements of preferences and priorities, while Japanese negotiators are more likely to share information through offers (Adair et al., 2001).

Patterson’s (1983) theory of interpersonal adaptation identifies two factors, interpersonal similarities and normative similarities, that predict behavioral matching and are highly relevant for cross-cultural interactions. According to the theory, when people are more similar, for example they share cultural values and native language, they are more likely to generate stable patterns of interaction that are evident in matching behaviors (Patterson, 1983). Assuming that same culture negotiators are more similar to each other than mixed culture negotiators, this theory implies that there should be more sequences of similar behavior in same- than mixed-culture negotiations. Furthermore, when people share similar behavioral norms, they are also more likely to match each other’s behaviors (Patterson, 1983). The ability to synchronize communication and behaviors depends on the speakers’ communication repertoires (Gallois, Giles, Jones, Cargile, & Ota, 1995), and culture is one variable that defines such repertoires. Culture socializes us to use certain behaviors that come to dominate our repertoires as they become more routine and comfortable for us (Kumar, 1999). Consequently, negotiators who have similar behaviors at their disposal will have a tendency to use those behaviors and generate a stable matching pattern.

Patterson’s (1983) theory explains why adjustment is rarely necessary in same-culture encounters, but mixed-culture encounters are characterized by adaptation (Kim, 1988). The behavioral similarity antecedent suggests that same culture dyads should match in particular culturally-normative behaviors more than mixed culture dyads. Based on the low and high context forms of integrative communication identified in Adair et al. (2001), low context same-culture negotiators should use sequences of direct information more than mixed context mixed-culture negotiators and


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high context same-culture negotiators should use sequences of offers more than mixed context mixed-culture negotiators.

In addition to the direct/indirect distinction, Hall (1976) notes that low and high context cultures have different degrees of communicative flexibility. In low context cultures, people are socialized to use primarily direct forms of communication. Indirect communication may occur only in very close relationships where a high level of familiarity allows some things to be left unsaid (Hall, 1976). In high context cultures, people are socialized to use primarily indirect forms of communication. However, direct communication is sometimes used in formal settings such as a court of law (Hall, 1976). This suggests that low context negotiators will have primarily direct behaviors in their toolbox of information exchange behaviors, i.e. priority statements, while high context negotiators may have both direct and indirect behaviors in their toolbox of information exchange behaviors, i.e. priority statements and offers.

It may be particularly difficult for low context negotiators in a mixed-culture dyad to understand a high context negotiator’s indirect behaviors (Brett & Okumura, 1998). This is because information about priorities is contained not in the words of the offer, but in the way that offers change over time. The high context negotiator gleams information from the context of the current offer, which is the history of prior offers, not directly from the words of the offer. Even if low context negotiators know how to read context, they may not be very proficient at it due to lack of practice, and they may not be comfortable responding in the same way. For example, a low context U.S. negotiator who is seeking information may not respond to an early offer with an alternative offer, because in the U.S. exchanging offers tends to occur towards the end of negotiations, after direct information sharing and exploratory problem solving (Putnam & Jones, 1982). For mixed context dyads to match behaviors, negotiators must identify a common mode of information exchange that both parties can use and understand, and even then patterned sequences may be slow to develop (Adair & Brett, 2003). Low context, direct communication seems to be the common denominator.

Also, high and low context communication style tends to co vary with the collectivism/individualism aspect of culture (Gibson, 1998; Ting-Toomey, 1985). More than individualists, collectivists make ingroup/outgroup distinctions (Triandis, 1989) and value creating and maintaining harmony within a group. For example, Morling, Kitayama and Miyamoto (2002) found that individualists in the U.S. preferred using influence in their environment and collectivists in Japan preferred adjusting to their environment. Likewise, Gallois and colleagues (1995) note that convergence or adaptation from the other party is more acceptable to individualists than collectivists. These East and West influence versus adaptation preferences suggest that low context negotiators will want their style to dominate and high context negotiators will prefer to adapt to the low context style. Therefore, in a mixed context dyad, the high context negotiator should adapt low context styles and match direct behaviors more than the low context negotiator should adapt high context styles and match indirect behaviors.

In summary, information sharing sequences should be more common in same-culture than mixed-culture dyads, and this should be evident primarily with respect to culturally normative information sharing strategies.

**Hypothesis 1:** Same-culture high context dyads will be more likely to match indirect integrative behaviors than same-culture low context or mixed-culture mixed context dyads.

**Hypothesis 2:** Same-culture low context dyads will be more likely to match direct integrative behaviors than mixed-culture mixed context dyads, which will match these behaviors more than same-culture high context dyads.

**Culture and the Role of Behavioral Matching on Negotiation Outcome**

To discover integrative solutions or joint gains, negotiators need information to make trade-offs and identify compatible issues (Lax & Sebenius, 1986). Thompson (1991) suggests that information sharing by just one negotiator is enough for a dyad to generate joint gains. Likewise, Adair et al. (2001) found a frequency effect of direct information sharing on joint gains for U.S. dyads and indirect information sharing on joint gains for Japanese dyads. They also found that the differential use of direct and indirect information sharing in same-culture and mixed-culture dyads partially accounted for the lower joint gains in mixed-culture dyads. One question that study left unanswered is how negotiators from cultures with different norms for information sharing can use information to generate joint gains in a mixed-culture setting. This study proposes direct integrative sequences as an important predictor of joint gains in cross-cultural negotiation.

That matching integrative behaviors generates joint gains and matching distributive behaviors leads to conflict spiral or impasse is a robust finding in the negotiation literature (Brett, Shapiro, et al., 1998; Olekalns & Smith, 2000; Putnam & Jones, 1982; Weingart et al., 1999). One explanation for the positive relationship between information sequences and joint gains is that matching signals strategic intent (Putnam, 1990; Putnam & Jones, 1982; Weingart et al., 1999). For example, matching integrative behaviors reveals one’s own and reinforces the other’s cooperative approach, which should encourage further information sharing, and so on. Another explanation is that sequences of information exchange simply generate more information than individual acts. According to AUM theory (Gudykunst, 1985), the degree to which negotiators pick up on the strategic intent and information content of sequences may depend on the dyad’s cultural composition.

Uncertainty is greater in mixed-culture than same-culture encounters because interpersonal and normative differences and different expectations quickly become apparent (Gudykunst, 1985). Uncertainty comes from parties feeling unfamiliar and perhaps uncomfortable with each others’ norms and style. When faced with an unfamiliar and uncertain situation, negotiators may move away from heuristic information processing and engage in more complex, systematic cognitive activity to better understand their uncertain environment (Chen & Chaiken, 1999). More systematic information processing means that cross-cultural communication should occur with a greater level of behavioral and communicative awareness than same-culture communication (Gudykunst & Kim, 1984). Also, when negotiators in mixed context dyads experience uncertainty, they should look for interaction patterns that reduce uncertainty, such as a stable and consistent behavioral matching pattern (Gudykunst, 1985; Kim 1988). A greater level of awareness and systematic processing in mixed-culture negotiations suggests that mixed-culture mixed context negotiators should be more likely than same-culture same context negotiators to use information in integrative sequences to expand the pie of resources.

One caveat from the Adair et al. (2001) study is that low context negotiators may not be good at recognizing offers as information or gathering information from offers. Therefore, the proposed relationship should be evident for sequences of direct integrative information, which is a comfortable mode of communication for both low- and high context negotiators. I do not argue that mixed-culture mixed context negotiators will use direct integrative information sequences more than same-culture same context negotiators. Although they may be looking for communication pat-

terns, it may take mixed-culture negotiators much longer to establish matching sequences than same-culture negotiators because of their language and cultural differences. I argue that when direct integrative information sequences occur, mixed-culture mixed context negotiators will be more attentive to them and will generate greater benefits from them than same-culture same context negotiators.

**Hypothesis 3.** Direct integrative sequences will lead to greater joint gains for mixed-culture mixed context dyads than same-culture same context dyads.

Because low context negotiators are not as adept as high context negotiators at identifying offers as information (Adair et al., 2001), a positive relationship between sequences of indirect integrative information and joint gains may be evident only for same-culture high context negotiators.

**Hypothesis 4.** Indirect integrative sequences will lead to greater joint gains for same-culture high context dyads that mixed-culture mixed context dyads or same-culture low context dyads.

**METHOD**

**Samples**

The data consist of eight same-culture same context and two mixed culture mixed-context samples. I sampled a wide range of low and high context cultures that typically fall into an East-West division. The low context cultures studied represent both North America and Europe: U.S., Sweden, Israel and Germany. The high context cultures studied represent both the Far East and Europe: Japan, Hong Kong, Thailand and Russia. Hall developed his original low/high context theory based on cultural anthropological data (Hall, 1976). Of the cultures I sampled, Hall (1976) specifically classified Germany, Sweden (Scandinavia), and the U.S. as low context cultures and China and Japan as high context cultures. The German, U.S., China, and Japan classifications are empirically supported by Ting-Toomey and others’ work on culture and conflict. This line of research finds a low context conflict style characterized by rational logic, direct confrontation, and explicit communication and a high context conflict style characterized by affective logic, conflict avoidance, and implicit communication (Chua & Gudykunst, 1987; Cushman & King, 1985; Ting-Toomey, 1985; Ting-Toomey, Gao, Trubisky, Yang, Kim, Lin, & Nishida, 1991; Tinsley, 1998). Gibson’s intercultural communication theory integrates cultural differences in cognitive styles and values and supports the general West/East distinction in low/high context styles (1998). She summarizes additional empirical research suggesting that Japan, China, Russia, and Thailand are high context cultures while the U.S., Germany, and Sweden are low context cultures (e.g. Glenn, Witmeyer, & Stevenson, 1977; Gudykunst, Ting-Toomey, & Chua, 1988; Hofstede, 1980; Triandis, 1989). According to Gibson’s criteria, the urban Israeli culture is also low context, characterized by individualism and direct communication (Brett, 2001; Erez & Somech, 1996).

Prior to the negotiation simulation (described below), participants were asked to identify their nationality and their dominant culture. Participants who did not identify their sample group’s culture as their dominant culture were excluded from the analyses. Dyads that did not finish the negotiation simulation or reached an impasse were also excluded as outliers (described in detail below). The remaining 242 dyads were used for analyses: U.S. (29 dyads), Sweden (24 dyads), Israel (17 dyads),
Table 1
Sample Composition and Descriptive Statistics

<table>
<thead>
<tr>
<th>Sample</th>
<th>N (dyads)</th>
<th>Program</th>
<th>Program Language</th>
<th>Age^d M (S.D.)</th>
<th>% Male^d</th>
</tr>
</thead>
<tbody>
<tr>
<td>German</td>
<td>23</td>
<td>Executive MBA (EMBA)</td>
<td>English</td>
<td>34.75 (3.95)</td>
<td>89.6</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>16</td>
<td>Undergrad &amp; EMBA^a</td>
<td>English</td>
<td>25.53 (7.39)</td>
<td>52.0</td>
</tr>
<tr>
<td>Israel</td>
<td>17</td>
<td>Exec. Training</td>
<td>English</td>
<td>40.16 (9.33)</td>
<td>86.5</td>
</tr>
<tr>
<td>Japan</td>
<td>24</td>
<td>Exec. Training</td>
<td>Japanese^b</td>
<td>30.38 (7.46)</td>
<td>100.0</td>
</tr>
<tr>
<td>Russia</td>
<td>35</td>
<td>MBA</td>
<td>Russian^b</td>
<td>26.79 (5.89)</td>
<td>44.4</td>
</tr>
<tr>
<td>Sweden</td>
<td>24</td>
<td>Exec. Training</td>
<td>English</td>
<td>37.67 (6.08)</td>
<td>81.4</td>
</tr>
<tr>
<td>Thailand</td>
<td>26</td>
<td>MBA</td>
<td>English</td>
<td>26.27 (2.50)</td>
<td>39.2</td>
</tr>
<tr>
<td>U.S.</td>
<td>29</td>
<td>EMBA</td>
<td>English</td>
<td>38.13 (4.88)</td>
<td>77.4</td>
</tr>
<tr>
<td>U.S.-Hong Kong</td>
<td>24</td>
<td>EMBA</td>
<td>English</td>
<td>37.84 (5.79)</td>
<td>77.1</td>
</tr>
<tr>
<td>U.S.-Japan</td>
<td>24^c</td>
<td>Exec. Training</td>
<td>English</td>
<td>36.72 (6.19)</td>
<td>98.1</td>
</tr>
</tbody>
</table>

^a There were no significant differences in the types of negotiation behaviors used by the full-time undergraduate students and the Executive MBA students.
^b Case materials were translated and back-translated.
^d Data from the Japanese and U.S.-Japanese samples appear in Brett & Okumura (1998) and Adair et al. (2001), but this is the first time sequences have been analyzed in the data.
^e There were no significant effects of age or gender on the frequency of direct and indirect integrative sequences or on joint gains.

Germany (23 dyads), Japan (24 dyads), Hong Kong (16 dyads), Thailand (26 dyads), Russia (35 dyads), U.S.-Japan (24 dyads) and U.S.-Hong Kong (24 dyads). Information on sample size and data collection as well as demographics are presented in Table 1.

Simulation

Dyads negotiated Cartoon, a simulation based on the Working Women exercise (Tenbrunsel & Bazerman, 1995), which involves the sale of syndicated rights to a children’s television cartoon. As noted in Brett and Okumura (1998), cartoons are produced and syndicated worldwide, so the context was understandable for all the cultures in the sample. In Cartoon, the seller is offering a fixed five-year, 100-episode contract for a cartoon series, Ultra Rangers. There are three necessary components to a deal: the price for each of the 100 episodes of Ultra Rangers, the number of times each episode can be shown, and the financing terms. Details on each party’s preferences that were contained in confidential role instructions appear in Appendix A. Negotiators could create value or increase joint gains by trading off finance terms and runs (the number of times each episode may be shown in the five-year period) or by including a second cartoon, Strums. Each role had a strong alternative offer and there were no power differences built into the case.

A standard procedure was used each time data were collected. Participants were briefly introduced to the case and then assigned break-out rooms for one and one-half hours of preparation. Because the case contained a lot of contextual information and was quite lengthy (6 pages of text), participants were paired into same-role, same-culture dyads so they could discuss the case materials and brainstorm about strategy. During the preparation period, researchers were available to answer questions. All materials were provided in English for participants enrolled in an English language MBA program (U.S., Sweden, Hong Kong, Israel, Thailand, and Germany). Russian participants received all materials in Russian. Japanese participants in the U.S.-Japanese sample received all

materials in both Japanese and English. For the Japanese and Russian data collection, the researchers were fluent in both English and the participants’ native language.

After the preparation period, participants were paired into different dyads to negotiate one-on-one. I avoided having any two dyads reflecting the exact same preparation strategies by assigning negotiation dyads so that no two buyers who prepared together were paired with two sellers who prepared together. Each dyad had one and one-half hours to negotiate and their sessions were audio recorded. Following the negotiation simulation, participants completed a survey before reporting results and then were debriefed as a group in conjunction with a lecture on cross-cultural negotiations.

Data Coding

Negotiation tapes were transcribed, and in the case of foreign language tapes, translated and transcribed. All foreign language tapes were translated and transcribed by the same person. A person fluent in the pertinent language(s) monitored transcriptions against the tapes.

The code was based on those used in prior research on transactional negotiations to identify integrative and distributive negotiation behaviors (e.g. Weingart! et al., 1990). It was designed by a U.S. and Japanese research team to reflect both low context and high context forms of integrative and distributive information behaviors. Four coders, blind to all hypotheses, were rigorously trained to content code using the different types of direct and indirect communication codes. They worked from negotiation texts that had only participant identification numbers, so there was no indication of the dyad’s cultural composition. For each of eight rounds, the coders independently coded two transcripts. The coders then met and compared the codes for each transcript. Disagreements were discussed and resolved, creating a common understanding of each behavioral code. At the end of the eight training rounds, inter-rater reliability was calculated at Cohen’s $K = .71$, which Bakeman & Gottman (1997) classify as “very good.” Then coders worked independently to code the remaining transcripts. The speaking turn was the unit of analysis. As a unitizing method following Weingart, Bennett, and Brett (1993), if multiple behaviors occurred in a speaking turn, the coder coded each behavior, up to a maximum of five different codes within a single speaking turn.

Code items were aggregated into two categories to operationalize the negotiation behaviors addressed in the hypotheses of this study: direct integrative and indirect integrative (Appendix B). Aggregating individual codes into behavioral categories also allows a concise, parsimonious analysis and presentation of the data because some of the individual items had very low frequencies (Bakeman & Gottman, 1997; Putnam & Jones, 1982). Creating code categories may be done theoretically or empirically by factor or correspondence analysis (Adair & Brett, 2004). As noted earlier in the manuscript, the code categories in this study were theoretically motivated and defined based on Pruitt (1981) and Hall (1976).

Direct Integrative Information. The direct integrative information code captured explicit information that would help negotiators identify trade-offs, similar preferences, or other opportunities to create joint gains. The code was operationalized with three indicators:

1. statements about priorities, for example what is more and what is less important,
2. statements of commonalities or differences between the parties’ interests, for example noting compatible or divergent issues, and
3. direct positive or negative responses to the other party’s suggestions or offers.

Indirect Integrative Information. The indirect integrative information code captured implicit information that would help negotiators identify opportunities to create joint gains. The code was operationalized with single-issue offers, for example an offer on just price or just financing, and multi-issue offers, for example an offer on both price and financing, or price, financing, and runs.

Analyses

The analyses tested whether the frequency with which similar behaviors occurred in sequence was predictable by dyad composition, and systematically related along with dyad composition to joint gains. The behavioral data were originally in a time-series file with each row representing a speaking turn (see example in Appendix C). In the time series file, dummy variables were constructed to represent each of the behaviors under investigation, representing the overall frequency for each negotiation behavior. A second set of dummy variables was created to represent the frequency of immediate sequences for each behavior. Immediate sequences occurred when the same behavior occurred in the previous speaking turn and current speaking turn. A third set of dummy variables was created to represent the frequency of delayed sequences for each behavior. Delayed sequences occurred when the same behavior occurred three speaking turns prior to the current turn and in the current speaking turn. This approach is similar to Olekalns and Smith (2000), who tested the relationship between the frequency of behavioral sequences and outcome.

The time-series file was then aggregated to a dyad level file. Within each dyad, the dummy variables were summed to give a frequency count for the overall use of each behavior and the behavioral matching for each behavior. The overall frequency counts were then divided by the total number of speaking turns to calculate the proportion of speaking turns when the behavior occurred. The sequence frequency counts were divided by the total number of speaking turns minus one to calculate the proportion of behavioral sequences when matching occurred. Proportions were used to control for variable transcript length across dyads. Because the negotiations were long and complex, some of the code categories had small proportions. Low proportions are not a problem theoretically; in fact Olekalns and Smith 2000 found that low frequency codes can play a pivotal role in the way negotiations unfold. But, small proportions can pose statistical challenges, so the proportions were then transformed using the logit transformation to stretch the tails of the distribution (Cohen & Cohen, 1983; Tukey, 1977).

Interaction terms for hypothesis 3 were constructed by multiplying the transformed proportion of sequences by dummy variables representing dyad composition. As described in Kleinbaum, Kupper, Muller, and Nizam (1998), to reduce multicollinearity between the interaction terms and the main effects used to construct the interaction, I first mean centered the transformed proportions.

Hypotheses 1 and 2 tested sample differences in matching patterns. The primary independent variables were dummy variables representing the same-culture low context, same-culture high context, or mixed-culture mixed context cluster. The dependent variables for behavioral matching were calculated as the transformed proportion of sequential speaking turns when matching occurred in each dyad.

Hypotheses 3 and 4 predicted that dyad composition would moderate the effect of matching behaviors on joint gains. The transformed proportion of the overall frequency of each behavior was included in each model as a control variable to show behavioral matching effects over and above overall frequency of use effects. Joint gains were calculated at the dyad level as the sum of the buyer’s and seller’s net value over and above their BATNAs (Best Alternative to a Negotiated

Agreement) (Fisher, Ury, & Patton, 1991). The BATNA’s did vary by role, so measuring surplus over BATNA was a way to standardize how much each party gained. Of the original sample, 4 low context, 7 high context, and 3 mixed context dyads did not reach agreement. These dyads were excluded from the analyses because the value of their outcome over and above their alternative ($0) was so different from the outcomes over and above the alternatives for dyads that reached agreement ($1,995,000-$5,080,000) and skewed the regression results.

RESULTS

Descriptive Data and Sampling Check

Descriptive data on behavioral sequences for the same-culture low context, same-culture high context, and mixed-culture mixed context samples are presented in Table 2. As expected based on the low/high context country classifications, same-culture low context negotiators used more direct integrative information sequences than negotiators in the mixed context or the high context dyads. Also, same-culture high context negotiators used more indirect integrative information sequences than negotiators in the mixed context or the low context dyads. The average joint gains negotiated were 4.25 million (SD .71, Range 2.48-5.08) for same-culture low context dyads, 3.61 million (SD .77, Range 2.08-5.08) for same-culture high context, and 3.90 (SD .71, Range 1.99-5.08) for mixed-culture mixed context dyads.

Sequences in Same- and Mixed-Context Dyads

Hypothesis 1 predicted that indirect integrative sequences would be more common in same-culture high context dyads than same-culture low context or mixed-culture mixed context dyads. The results in Table 3 show that same-culture high context dyads (the reference category) were more likely than both same-culture low context (LC) and mixed-culture mixed context (MC) dyads to use both immediate (LC $\beta = -31, p \leq .01; MC \beta = -.51, p \leq .01$) and delayed (LC $\beta = -.37, p \leq .01; MC \beta = -.49, p \leq .01$) indirect integrative sequences.

Hypothesis 2 predicted that same-culture low context dyads would use direct integrative sequences more than mixed-culture mixed context dyads, which would match these behaviors more
than same-culture high context dyads. The results in Table 4 show that same-culture low context dyads (the reference category) were more likely than both same-culture high context (HC) and mixed-culture mixed context (MC) dyads to use both immediate (HC $\beta = -.48$, $p \leq .01$; MC $\beta = -.12$, $p \leq .05$) and delayed (HC $\beta = -.46$, $p \leq .01$; MC $\beta = -.16$, $p \leq .01$) direct integrative sequences. Post hoc analyses confirmed that mixed-culture mixed context dyads were more likely than same-culture high context dyads to use both immediate ($\beta = -.32$, $p \leq .01$) and delayed ($\beta = -.26$, $p \leq .01$) direct integrative sequences.

**Dyad Composition, Sequences, and Negotiation Outcome**

Hypothesis 3 predicted that sequences of direct integrative behaviors would generate more joint gains for mixed-culture mixed context dyads than same-culture same context dyads. The results in Table 5 show a significant interaction with culture (same-culture low context versus mixed-culture mixed context) for both immediate ($\beta = -.25$, $p \leq .05$) and delayed ($\beta = -.24$, $p \leq .01$) direct integrative sequences. Modeling the interaction revealed that as expected, direct integrative sequences improved joint gains for mixed-culture, mixed context dyads (Figures 1, 2). There was no effect of immediate direct integrative sequences on joint gains for same-culture high context dyads,

<table>
<thead>
<tr>
<th>Variable</th>
<th>Immediate</th>
<th></th>
<th></th>
<th>Delayed</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\beta$</td>
<td>SE B</td>
<td>$\beta$</td>
<td>B</td>
<td>SE B</td>
<td>$\beta$</td>
</tr>
<tr>
<td>Same-culture high context$^a$</td>
<td>-.37</td>
<td>.05</td>
<td>-.48**</td>
<td>-.36</td>
<td>.05</td>
<td>-.46**</td>
</tr>
<tr>
<td>Mixed-culture mixed context$^a$</td>
<td>-.12</td>
<td>.06</td>
<td>-.12*</td>
<td>-.16</td>
<td>.06</td>
<td>-.16**</td>
</tr>
</tbody>
</table>

Note. Adjusted $R^2$ Integrative immediate = .19; Integrative delayed = .17
$^a$ Reference category is same-culture low context dyads
* $p \leq .05$
** $p \leq .01$

Table 5  
Summary of Hierarchical Regression Analysis for Variables Predicting Joint Gains (N=242)  

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Variable</th>
<th>B</th>
<th>SE B</th>
<th>β</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct integrative frequency</td>
<td>.24</td>
<td>.32</td>
<td>.08</td>
</tr>
<tr>
<td></td>
<td>Same-culture low context (LC)²</td>
<td>.47</td>
<td>.14</td>
<td>.30**</td>
</tr>
<tr>
<td></td>
<td>Same-culture high context (HC)²</td>
<td>-.24</td>
<td>.13</td>
<td>-.15</td>
</tr>
<tr>
<td></td>
<td>Immediate direct integrative sequence (DI)</td>
<td>.25</td>
<td>.38</td>
<td>.12</td>
</tr>
<tr>
<td>Step 1</td>
<td>Direct integrative frequency</td>
<td>.26</td>
<td>.32</td>
<td>.09</td>
</tr>
<tr>
<td></td>
<td>Same-culture low context (LC)²</td>
<td>.47</td>
<td>.14</td>
<td>.29**</td>
</tr>
<tr>
<td></td>
<td>Same-culture high context (HC)²</td>
<td>-.27</td>
<td>.13</td>
<td>-.17*</td>
</tr>
<tr>
<td></td>
<td>Delayed direct integrative sequence (DI)</td>
<td>.31</td>
<td>.31</td>
<td>.15</td>
</tr>
</tbody>
</table>

Immediate Adjusted \( R^2 \) for Step 1 = .12; \( \Delta R^2 = .03 \) for Step 2 (\( p \leq .05 \)); Delayed Adjusted \( R^2 \) for Step 1 = .13, \( \Delta R^2 = .03 \) for Step 2 (\( p \leq .05 \)).  
* Reference category is mixed-culture dyads  
** \( p \leq .01 \)

and the effect was negative for same-culture low context dyads. Exploratory analyses revealed that a cubic relationship between direct integrative sequences and joint gains for same-culture low context dyads was a greater predictor of variance (\( R^2 = .08 \)) than a linear relationship (\( R^2 = .04 \)). The cubic relationship revealed that matching direct integrative communication was positively related to joint gains when it occurred at low to moderate or at very high levels. When it occurred at moderate

Table 6  
Summary of Hierarchical Regression Analysis for Variables Predicting Joint Gains (N=242)  

<table>
<thead>
<tr>
<th>Step 2</th>
<th>Variable</th>
<th>B</th>
<th>SE B</th>
<th>β</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LC X DI</td>
<td>-1.00</td>
<td>.41</td>
<td>-.25*</td>
</tr>
<tr>
<td></td>
<td>HC X DI</td>
<td>-.26</td>
<td>.41</td>
<td>-.24**</td>
</tr>
</tbody>
</table>

Note. Delayed integrative Adjusted \( R^2 \) for Step 1 = .12, \( \Delta R^2 = .02 \) for Step 2 (\( p \leq .10 \)). Although the \( \Delta R^2 \) for this model is only significant at .10, the overall Step 2 model is significant as are the interactions reported. Main effects in regression models explain mean differences in a main effects model but intercept differences in an interaction model (the interaction explains slope differences). Therefore the \( \Delta R^2 \) does not explain whether an interaction explains significantly more variance than the main effects alone, but whether the interaction model as a whole explains more variance than the main effects model (Neter, Kutner, Nachtsheim, & Wasserman, 1996; Jaccard, Turrisi, & Wan, 1990).  
* Reference category is mixed-culture dyads  
** \( p \leq .01 \)  

Immediate direct integrative sequences
(log of proportion of total sequences per dyad)

**FIGURE 1**
Interaction of culture and immediate direct integrative sequences

Delayed direct integrative sequences
(log of proportion of total sequences per dyad)

**FIGURE 2**
Interaction of culture and delayed direct integrative sequences

to high levels, matching direct integrative communication hurt joint gains. The graph of the delayed sequence interaction revealed the same pattern.

Hypothesis 4 predicted that sequences of indirect integrative behaviors would generate more joint gains for same-culture high context dyads than mixed-culture mixed context or same-culture same context dyads. As indicated in Table 6, there was a significant interaction with culture (same-culture high context versus mixed-culture mixed context) for delayed ($\beta = 30$, $p \leq .05$) indirect integrative sequences. Modeling the interaction revealed that as expected, the effect of delayed indirect integrative sequences on joint gains was positive for same-culture high context dyads, negative for mixed-culture mixed context dyads, and there was no effect for same-culture low context dyads (Figure 3).

**DISCUSSION**

This study provides empirical support for Hall's (1976) low and high context theory of culture and communication with respect to sequences of integrative behaviors in negotiation. The study also identifies low/high context dyad composition as a culture variable that predicts the impact of direct and indirect integrative sequences on negotiation outcome. These results contribute to our understanding of culture and negotiation at the dyad level and offer practical advice for cross-cultural negotiators on how to manage the negotiation process to generate joint gains.

Low/High Context Dyad Composition and Sequences

There are two aspects of Hall’s (1976) low/high context theory that the data in this study support. First, according to Hall’s theory, negotiators in low context cultures should favor direct communication and negotiators in high context cultures should favor indirect communication. This study confirmed that when negotiating with someone from the same culture, low context negotiators tend to use sequences of direct forms of information while high context negotiators tend to use sequences of offers, which reveal integrative information indirectly. Because my operationalization of indirect information behaviors did not include non-verbal communication, the test was quite conservative. I expect that nonverbal data would reinforce these findings and may uncover some effects for additional indirect behaviors. While previous work has found support for Hall’s (1976) low and high context communication by individual negotiators (Adair et al., 2001; Graham, 1985), these findings identify complementary evidence of low/high context communication at the level of dyadic interaction.

The study also finds support for Hall’s (1976) prediction that people in high context cultures are better able to use both direct and indirect communication than people in low context cultures. These results show that mixed-culture mixed context negotiators used sequences of direct integrative behaviors more than same-culture high context negotiators. These findings suggest that when low and high context cultures meet, direct information sharing is a common language that multiple cultures can embrace. The finding that indirect integrative sequences were less common for mixed-culture mixed context and same-culture low context dyads than same-culture high context dyads also supports Hall’s (1976) theory that low context cultures are less savvy and comfortable using indirect forms of communication, for example offers as a mode of information exchange.

These results allow us to add low/high context communication preferences to the list of interpersonal and normative similarities that predict behavioral matching (Patterson, 1983). When negotiating with someone from our own culture, we tend to match behaviors from our shared low or high context communication repertoire. When a low and high context negotiator come together, matching is evident among the shared repertoire of low context, direct integrative behaviors.

These findings are important because negotiators that are accustomed to a certain form of reciprocal information exchange when negotiating intra-culturally may need to make some critical adjustments when negotiating inter-culturally. This research tells us that cross-cultural negotiators need to focus not only on a personal connection with the other party, but also on a more behavioral, skill-based connection. Mixed-culture mixed context negotiators seem to gravitate towards direct integrative communication as a common language.

Low/High Context Dyad Composition, Sequences, and Negotiation Outcome

Direct integrative sequences had a positive impact on joint gains for mixed-culture mixed context dyads, but not for same-culture same context dyads. This finding supports the AUM theory prediction that non-similar parties will attend more to matching patterns in interaction (Gudykunst, 1985; Roloff, 1987) and process information more systematically (Chen & Chaiken, 1999). These results help to inform the Adair et al. (2001) finding that U.S.-Japanese dyads had very low joint gains despite frequency counts indicating that both U.S. and Japanese negotiators were using direct forms of information exchange. To positively impact joint gains, cross-cultural negotiators need to do more than just use the same information sharing behaviors: they need to use them in a meaningful sequence that negotiators attend to. Although Thompson (1991) found that in U.S. dyads, it only
takes one party sharing information to maximize joint gains, this study suggests that a cross-cultural negotiation is different. For negotiators in mixed-culture mixed context dyads, it takes both parties revealing direct information back and forth to identify joint gains.

Contrary to expectations, there was no effect for immediate indirect integrative sequences by culture on joint gains. Even though same-culture high context negotiators used more immediate offer sequences, they were not more likely than others to use information in those offers to generate joint gains. However, same-culture high context negotiators were more likely than others to use the information in delayed indirect integrative sequences to generate joint gains. That indirect integrative sequences did not predict joint gains for mixed-culture mixed context dyads offers further support for Hall’s (1976) theory. Even if mixed context negotiators were more attentive to sequences, as suggested in prior literature (Gudykunst & Kim, 1984) and by the results for direct integrative sequences in this study, they were not able to glean information from sequences of offers. We can infer it was the low context negotiator that was not able to use sequences of offers to generate information and joint gains.

Research in the West has shown that offers can act as positional, distributive strategies as well as information generating, integrative strategies (Olekalns and Smith, 2000; Weingart et al., 1990). One factor distinguishing whether an offer is integrative or distributive is whether the offer is single- or multi-issue (Hyder, Prietula, & Weingart, 2000; Weingart, Hyder, & Prietula, 1996). To generate joint gains, negotiators must be able to glean enough information from offers to identify preferences and priorities, and this is easier to do with multi-issue offers. This study shows that high context negotiators can generate information on priorities from both single- and multi-issue offers when exchanged with a delay of one speaking turn. For mixed-culture mixed context negotiators on the other hand, offer sequences were inversely related to joint gains, suggesting once again a more low context model where at least single-issue offers may represent distributive positioning. Even though offer sequences had a greater impact on outcome for same-culture high context dyads, the overall outcome data (lower for same-culture high context dyads relative to same-culture low context or mixed-culture mixed context dyads) suggests that generating information from offers may be more challenging and less effective than more direct modes of information exchange.

One unexpected finding relating sequences to joint gains was the cubic relationship between direct integrative sequences and joint gains for same-culture low context dyads. This was surprising because not only is direct information sharing normative for both negotiators in a low context dyad, but prior studies have linked reciprocal information sharing to joint gains in low context cultures such as Australia and the U.S. (Olekalns & Smith, 2000; Weingart et al., 1999). Reciprocal information sharing is a strategy often touted as one of the most direct paths to joint gains (Bazerman & Neale, 1992; Walton & McKersie, 1965). However, Weingart and Olekalns (2004) note that the link between reciprocal information sharing and integrative outcomes seems to be quite complex and a positive relationship may depend on an additional element of contention to motivate negotiators to use the information they have shared (Olekalns & Smith, 2000; Weingart et al., 1990). The results here also suggest that for same-culture low context dyads, direct information sequences alone may not do the trick. Moderate levels of direct information sequences may be too cooperative, leading negotiators to satisfice with a suboptimal solution. To maximize joint gains, low context negotiators may need that extra element of contention that goes along with low levels of direct information sequences or very high levels of direct information sequences that generate full disclosure.

Managerial Implications

This study confirmed that low/high context communication preferences predicted unique sequences of integrative behaviors in negotiation. This helps explain why international negotiations between low and high context cultures are often plagued with poor communication and misunderstandings. The study also confirmed that direct integrative sequences generated more joint gains in a mixed-culture mixed context setting, offering one strategy for cross-cultural negotiators to improve communication and negotiation outcome. The data suggest that reciprocal information sharing is a valid tool for integrative negotiations, but it needs to be approached strategically in multi-cultural settings. Negotiators should be educated in the behavioral norms of the culture they will be facing because negotiators are most likely to match integrative behaviors that are culturally normative. When negotiating with a high context culture, a negotiator from a low context culture can build on the other party’s communicative flexibility to prompt sequences of direct information sharing. Also, mixed-culture negotiators should be aware that behavioral patterns such as sequences may have a greater impact than in a same-culture setting.

Limitations and Future Directions

In this study, both mixed-culture samples included a high context negotiator interacting with a U.S. negotiator in the U.S. in English. Because low/high context is all about language, we cannot tease apart whether mixed-culture dyads matched more direct behaviors because high context negotiators were intentionally adapting to their low context partners or because direct behaviors are an inevitable by-product of speaking in English or being in the U.S. Although there were no power differences built into the case, adaptation patterns could reflect implicit power differences that negotiators bring to the table based on national culture history and/or presence in the current global economy. Despite these confounds, the data do reflect cross-cultural negotiations on U.S. soil. Although it is impractical for mixed-culture dyads to negotiate in the high context language, future research could address some of these concerns by having mixed-culture dyads negotiate in the high context culture and matching low and high context cultures with comparable world economic status. The arguments presented in this paper, based on low/high context communication norms (Hall, 1976) and cultural similarity as a predictor of behavioral matching (Patterson, 1983), suggest that East will adapt to West even when negotiations are on Eastern soil or even with other low/high context dyad compositions (e.g. Israel and China).

This study found evidence of Hall’s (1976) predicted direct and indirect communication norms in integrative behavioral sequences used by same-culture same context dyads. Whether these findings will extend to distributive behavioral sequences is a question for future research. Like integrative behaviors, distributive behaviors can be more direct and low context, for example logical forms of persuasion, or more indirect and high context, for example using your company’s status as influence (Glenn et al., 1977). Norms for matching distributive behaviors, and particularly how distributive sequences affect negotiation outcome, may be quite different in different cultures (Adair, 1999). Whether these findings will extend to mixed-culture same context dyads is also an interesting question for future research. Because low context communication is explicit, we may find that low context negotiators from different cultures match direct integrative information behaviors fairly naturally. However, because indirect communication is so embedded in context, negotiators from two different high context cultures may have trouble identifying when the other party shares information indirectly.

This study assumed that negotiator communication is motivated: integrative behaviors to create value. I did not measure strategic intent or the exact content of negotiation behaviors. For example, offers were coded as integrative because they reveal information on a party’s preferences and priorities. I did not code offers made with reasonable expectations of acceptance as more integrative than ridiculous offers. Likewise, I did not code for the detail or truthfulness of direct integrative behaviors. Therefore, the findings are applicable to the broad categories of direct and indirect integrative communication as defined in this study. Future research may tackle a more fine-grained analysis of speech content to investigate the effect of culture on sequences of more specific behaviors and additional strategies.

There are also a few methodological and measurement limitations in the present study that should be noted. Other forms of indirect information sharing that may be prevalent in high context cultures, for example non-verbals, could be measured. Coders representing cultures in the dataset other than the U.S. could be employed. Also, additional mixed-culture mixed context and mixed-culture same context samples could be investigated. Future research should also investigate whether different communication norms mean that patterned sequences of behavior are slower to develop in mixed-culture than same-culture negotiation. Finally, the need for a standard empirical measure of low and high context stretches beyond the field of negotiation to the many literatures that touch on cross-cultural communication.

CONCLUSION

The study’s main contribution is a contextual model of behavioral matching in negotiations. Low/high context dyad composition is theoretically developed and confirmed as a predictor of direct and indirect integrative sequences and as a moderator of how direct integrative sequences impact joint gains. While the act of reciprocity may be universal as early theorists (e.g., Gouldner, 1960) predicted, the composition and function of behavioral matching are definitely dependent on cultural context.

Acknowledgment: This paper is based on a doctoral dissertation. This research was funded by a grant from the Dispute Resolution Research Center at Northwestern University. The author would like to thank Jeanne Brett, Linda Johanson, Beta Mannix, and Randall Peterson for their many comments and suggestions. Tetsushi Okumura, Anne Lytle, Jeanne Brett, and Shirli Kopelman provided invaluable help with data collection.

NOTES

1. Preferences and priorities and offers are just two ways negotiators exchange information. Negotiators also exchange information non-verbally, and non-verbal communication may be quite common for negotiators from high context cultures (Cohen, 1991). However, this research focuses on verbal forms of communication that prior research has found predictive of integrative solutions (Weingart, Thompson, Bazerman, & Carroll, 1990).

2. In this literature, sequences of exact behaviors are often called “reciprocity” and are operationalized through immediate matching from one speaking turn to the next (Weingart & Olekalns, 2004). Communication theorists reserve the term “reciprocity” for instances when strategic intent is clearly discernable and use the term “behavioral matching” when a sequence occurs due to an ambiguous motivation, situational
factors, conversational norms, or subconscious mimicry (Burgoon, Le Poire, & Rosenthal, 1995). Also, they measure both immediate and delayed verbal and non-verbal sequences in an interaction (Burgoon, Stern, & Dillman, 1995). Because this study relies on interpersonal adaptation theory to test situational antecedents of sequences and not strategic intent, I will use the terms “sequences” and “behavioral matching” to denote an action-reaction sequence of similar behaviors, and I will measure both immediate and delayed sequences.

3. Although Patterson discusses and tests primarily nonverbal behaviors, his theory was designed to address both verbal and nonverbal forms of communication (Burgoon, Stern, & Dillman, 1995).

REFERENCES


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## APPENDIX A: CARTOON—CONFIDENTIAL ROLE INFORMATION

<table>
<thead>
<tr>
<th>Issue</th>
<th>T.V. Station</th>
<th>Film Company</th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>8,400,000</td>
<td>--</td>
</tr>
<tr>
<td>Price per episode: (Limit/Aspiration)</td>
<td>60,000/30,000</td>
<td>35,000/70,000</td>
</tr>
<tr>
<td>Runs per episode adjustment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4-5</td>
<td>(840,000)/run</td>
<td>250,000/run</td>
</tr>
<tr>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7-8</td>
<td>840,000/run</td>
<td>(250,000)/run</td>
</tr>
<tr>
<td>Financing savings or cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year 1</td>
<td>10%</td>
<td>-20%</td>
</tr>
<tr>
<td>Year 2</td>
<td>20%</td>
<td>-35%</td>
</tr>
<tr>
<td>Year 3</td>
<td>30%</td>
<td>-50%</td>
</tr>
<tr>
<td>Year 4</td>
<td>40%</td>
<td>-60%</td>
</tr>
<tr>
<td>Year 5</td>
<td>50%</td>
<td>-70%</td>
</tr>
<tr>
<td>Strums (second cartoon) Limit</td>
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<td>10,000</td>
</tr>
<tr>
<td>Ratings estimated likelihood</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-7</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>7-8</td>
<td>50%</td>
<td>10%</td>
</tr>
<tr>
<td>8-9</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>9-10</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>10-11</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Alternative deal value</td>
<td>3,000,000</td>
<td>2,500,000</td>
</tr>
</tbody>
</table>

## APPENDIX B: CODE CATEGORIES

<table>
<thead>
<tr>
<th>Category</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Integrative</td>
<td></td>
</tr>
<tr>
<td>Preferences and priorities</td>
<td>Runs are more important to us than financing</td>
</tr>
<tr>
<td>Direct positive and negative reactions</td>
<td>We can’t possibly accept that offer.</td>
</tr>
<tr>
<td>Mutuality</td>
<td>We need a new show in our line-up and you need to sell this series</td>
</tr>
<tr>
<td>Indirect Integrative</td>
<td></td>
</tr>
<tr>
<td>Single-issue offer</td>
<td>We’re offering to pay 40% up front.</td>
</tr>
<tr>
<td>Multi-issue offer</td>
<td>Would you consider 8 runs and $50,000 per title?</td>
</tr>
</tbody>
</table>

### APPENDIX C: SAMPLE CODED TRANSCRIPT

<table>
<thead>
<tr>
<th>Id#</th>
<th>Text</th>
<th>Code 1</th>
<th>Code 2</th>
<th>DIa</th>
<th>IIa</th>
<th>IIIb</th>
<th>IDIb</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Runs are more important to us than financing</td>
<td>Priority info.</td>
<td>Offer</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>Then how about I give you 7 runs and you pay it all up front</td>
<td></td>
<td></td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1</td>
<td>But it is not industry standard to pay it all up front. How about 50% up front and 50% in year 2.</td>
<td>Persuasion</td>
<td>Offer</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>That just isn't possible</td>
<td>Direct negative reaction</td>
<td></td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1</td>
<td>Well there is no way I can pay it up front. How about 70% down, and 8 runs at $50,000 per title?</td>
<td>Direct negative reaction</td>
<td>Offer</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>You are killing me. How can I go back to my boss with an offer like that. I would lose my job.</td>
<td>Indirect negative reaction</td>
<td>Persuasion</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Notes.** The speaking turn was coded with up to five codes. For simplicity, this example only shows a maximum of two codes per speaking turn.

- DIa = direct integrative, IIa = indirect integrative.
- IIIb = immediate indirect integrative sequence, IDIb = immediate direct integrative sequence.
- This speaking turn would also be coded as a delayed indirect integrative sequence (offer in current speaking turn and three speaking turns prior).