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HUNGARIAN SOCIETAL VALUES THROUGH BUSINESS NEGOTIATORS' PRACTICES

Abstract:

The purpose of this paper is to contribute to research on Hungarian societal values, namely the debate on whether Hungary is a masculine or a feminine culture. First, it introduces dimension-based cross-cultural research and then it reviews the controversial results of large- and smaller-scale investigations concerning masculinity and femininity in the Hungarian culture and, relating to these cultural values, it outlines the concept of distributive and integrative negotiations. Next, the findings of a questionnaire survey with a sample of 241 Hungarian respondents from the Northern Transdanubian region, who routinely take part in business negotiations, are presented, discussed and related to previous results. The findings appear to confirm that the masculine approach is preferred and also that employees of smaller companies tend to be more feminine than those working for large organisations. At the same time, they also show that the level of masculinity is not as high as some previous pieces of research suggest and further, there does not seem to be a significant difference between the values of the younger and older generation or male and female negotiators. The paper concludes that although there may be a slight preference for assertive qualities, Hungarian business negotiators appear to try to balance competition and cooperation and aim for a win-win outcome.

Keywords:

assertiveness, business negotiations, distributive vs. integrative negotiations, masculinity vs. femininity, societal values

JEL Classification: D46, F23, Z10

Introduction

Recent years have seen the internationalisation of workplaces in Hungary. Globalisation does not mean the disappearance of cultural differences – on the contrary, there is a general view that cultures might converge on some aspects but will continue to diverge on others. World-famous professor of cross-cultural management Geert Hofstede said, “The convergence of management will never come” (Hofstede, 1983, p. 89), while Javidan and House (2001, p. 291) quote a former CEO of Coca Cola Corporation who pointed out that “as economic borders come down, cultural barriers go up”.

Consequently, there is a multitude of investigations into cultural values and cross-cultural differences as well as their effects on workplace communication and cooperation in Hungary (e.g. Ablonczy-Mihályka, 2007, 2013; Konczos-Szombathelyi, 2005, 2014; Szőke and Ablonczy-Mihályka, 2011; Szőke 2014). The present paper looks at the qualities Hungarian negotiators attribute to a good negotiator in the context of femininity and masculinity. First it reviews the literature on this dimension and how it relates to negotiations and then it presents the findings of a piece of research on whether Hungarian business negotiators appreciate assertive traits or cooperation-related characteristics.

Review of literature

Dimension-based cross-cultural management research takes its roots from the Value Orientation Theory put forward by two American anthropologists, Florence Kluckhohn and Clyde Strodbeck (1961). They argued that there are a limited number of universal problems which each society faces. Each society is aware of each possible solution to these problems but for some reason they prefer one solution and moreover, tend to see others as weird, illogical, unnatural or evil. Thus the task of cross-cultural research is to identify the universal problems and the solution alternatives (values), as well as to find out about the preferences of different national cultures. Dimension-based examinations for the past forty years have mostly relied on large-scale questionnaire surveys carried out in numerous cultures with the aim of creating the comparability of cultures.

The notions of femininity and masculinity, as two opposites of one cultural dimension, were put forward by Hofstede (1980) in a seminal study. The following simplified definition can be found on Hofstede’s webpage (<http://geert-hofstede.com/hungary.html>):

A high score (masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school

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

The score for Hungary is 88, making it a strongly masculine society. In Hofstede's words, "Hungary scores 88 on this dimension and is thus a masculine society. In masculine countries people "live in order to work", managers are expected to be decisive and assertive, the emphasis is on equity, competition and performance and conflicts are resolved by fighting them out" (<http://geert-hofstede.com/hungary.html>).

This figure first appeared in the second edition of his *Cultures and Organizations* (Hofstede and Hofstede, 2005). However, in the Hungarian translation of the volume (Hofstede and Hofstede, 2008) Hungary's masculinity index is 17, depicting it a very feminine culture. The editor of the Hungarian volume, with Hofstede's permission, replaced the Hofstedeian indices with figures obtained from his survey of more than one thousand employees of a Hungarian organisation. In his introductory study the editor explains that his sample is more similar to the original Hofstedeian IBM sample than the database Hofstede used for his calculations concerning Hungary, since they are based on the answers of only 98 students of six Hungarian tertiary educational institutions in the field of economics and business (Varga, 2008).

The SMILE project, which investigated the values of small- and medium-size Hungarian enterprises also found tendencies towards femininity (Kovács, 2006, p. 82). and the results of a survey carried out in the North Transdanubian region (Szőke, 2014) are in line with these findings. At the same time, the Hungarian culture was found masculine by several other pieces of research, which were carried out to validate the Hofstedeian figures (Kovács, 2006, p. 82). Falk-Bánó (2014), on the basis of her fieldwork findings in fifty-three international organisations based mainly in Budapest, the capital city, also argues that the Hungarian business culture is highly masculine.

The GLOBE (Global Leadership and Organizational Behavior Effectiveness) survey (House et al., 2004), building on Hofstede's notions on masculinity and femininity, examined two dimensions, namely gender egalitarianism and assertiveness. In order to make results more fine-tuned, the GLOBE scores contain 'as is' figures to describe present practices (existing values) and 'as should be' figures for desired practices. Hungary's gender egalitarianism scores are 4.08 (existing values) and 4.63 (desired values). The 'as is' figure is much higher than the world average of 3.4, which, again, indicates high levels of femininity. The assertiveness figures of 3.23 (as is) and 4.49 (as should be) seem to confirm this, since on their basis we can conclude that Hungarian middle-managers are not very confrontational and aggressive, but desire to

be more assertive and straightforward and thus, in the Hofstedean sense, they are feminine at present but would like to be more masculine in the future.

Falk-Bánó (2014) attributes these inconsistent results to four factors: (1) there are cultural differences in age groups due to the political and economic changes which took place in 1989; (2) different examinations have different databases, ask different questions and interpret answers in different ways; (3) when answering questions respondents may give their answers on the basis of what they would like, not what the situation is like at present and (4) the Hungarian culture combines eastern and western features.

Hofstede (1980) links cooperation to femininity, and competition to masculinity, which provides us an opportunity to discuss these cultural values in the context of negotiations. The definitions of negotiations put emphasis either on the contradictory interest and aims of the negotiating parties or highlight the trust and honesty necessary for the successful outcome of the negotiation. It is inevitable that conflicting interests have as big a role in negotiations as those which require cooperation. Since the publication of *Getting to Yes* by Fisher and Ury (1981), authors have compared the negotiated issues to a pie. During competition-centred distributive negotiations the parties see a fixed pie and, consequently, they try to obtain as big a segment as possible so that they win and the other party loses. During cooperation-based integrative negotiations, however, the parties try to extend the pie in order to have a win-win outcome.

The distributive and integrative aspects are present in each negotiation, thus the negotiating parties alternate between showing their overbearing or emphatic self (Alavoine 2011). Speakers of English often call their negotiating counterpart their 'opponent', which puts the competitive self into the forefront. Although the opponent is called a 'negotiating partner' in the Hungarian language, Hungarian negotiators often see their counterparts as enemies rather than partners. The author of the present paper reported on a qualitative study which found that young Hungarian female negotiators display very masculine characteristics and the younger generation of business negotiators in general seems to prefer assertive qualities to cooperation-based ones (Tompos 2009).

Purpose, data and methods

The purpose of this paper is to contribute to examinations which aim to explore Hungarian societal values. In particular it addresses the problem of whether business negotiators, who live in the western part of Hungary, display and prefer more feminine or more masculine characteristics by looking what qualities, skills and abilities they attribute to a good negotiator. In doing so, it presents the results and discusses the findings of the open-ended survey question: "What do you think a good negotiator is

like? Name five qualities (abilities, skills)". Thus, the data come from a questionnaire designed to map out language use, organisational behaviour and negotiating habits (Ablonczy-Mihályka and Tompos 2013).

The respondents were selected by quota sampling. The quote was established on the basis of Hungarian Central Bureau of Statistics data on the ratio of economic sectors companies operating in the Western Transdanubian region represent. As well as the geographical cluster criterion, only practising businesspeople who work in an international environment and routinely conduct negotiations with representatives of foreign cultures were asked to fill in the questionnaire. As Hungary is a small country characterised with high levels of inward mobility, in the lack of previous research, it is assumed that the values of business professionals who work in other regions are not different from the values of the respondents.

A total of 268 answers were received. The following analysis relies on the responses given by 241 subjects due to data cleaning necessitated by missing data (age, gender, size of the company). Thus, the answers of 126 male and 115 female subjects are considered, 62.8% of whom represent the younger generation (between 20-35), 28.8% the middle-aged generation (between 36-50) and only 6.8% the 51+ age category. 205 of the respondents hold a bachelor's or master's degree. Each respondent speaks at least one foreign language (English or German) at least at B2 level (CEFL), 180 speaks a second foreign language and 72 even a third one.

SPSS 18.0 was used to process and analyse data. With regard to the present objective, all the characteristics, skills and abilities the subjects came up with were entered into the statistical programme and then an excel table was generated. Still, the results below are considered qualitative due to the substantial degree of subjectivity, which characterises the process of analysis.

Since survey participants had not been given a pre-prepared list, the phrases they used were very varied. As a first step, traits, characteristics and skills considered to relate to femininity (e.g. avoids conflicts, constructive, emphatic, able to make compromises, patient, cooperative) or masculinity (e.g. persuasive, self-confident, puts pressure on the other party, overwhelming, assertive, energetic) were selected from the database. Then, owing to findings described above, they were crosstabulated with three variables: gender, age and company size. Although no significant correlations were found, the results are hoped to contribute to the feminine-masculine debate.

Findings and discussion

The overall result of the investigation is that Hungarian business negotiators believe preparation (155 mentions) and good communication skills (111 mentions) are the

most important when one aims to have a productive negotiation. In between these two, masculinity-related characteristics received 132 mentions, while those relating to femininity 95. This indicates that the respondents appreciate assertiveness-related qualities more but also believe that fairness and the spirit of cooperation is also very important.

As Table 1 shows, there is no real difference between the age groups. Both the young and middle-aged generation seem to be slightly more masculine. Although the older generation appears to be more balanced, this result should be handled with care due to the low number of respondents (in Hungary, until recently, the retirement age for women was 55). The findings are not in line with some of the results overviewed above, namely the fieldwork experiences of Falk-Bánó (2014) and previous findings of the present author (Tompos, 2009).

Table 1: Masculinity/femininity and age

age group	masculine	feminine	total
20-35	85	61	146
36-50	38	26	64
51+	9	8	17
total	132	95	227

Source: Own calculations on the basis of own research

Both male and female subjects listed more masculine than feminine characteristics (Table 2) and the ratio of the two is almost the same since masculine characteristics make up 57.75% of male respondents' answers, while this figure is 58.56% in the case of female specialist informants. This result seems to confirm the masculine view since in masculine societies women have to display masculine qualities and behave as if they were men if they want to pursue professions traditionally associated with men (Hofstede and Hofstede, 2005). Before the 1980s, Hungary had very few women in positions which provide professionals with high authority, including decision-making at high levels, which is required in business negotiations in an international context.

Table 2: Masculinity/femininity and gender

gender	masculine	feminine	total
male	67	49	116
female	65	46	111
total	132	95	227

Source: Own calculations on the basis of own research

The results shown in Table 3 indicate that employees of smaller companies tend to be more balanced between assertiveness and cooperation than employees of bigger companies. This finding seems to confirm the findings of Szőke (2014) as well as the

SMILE project (reviewed above). At the same time, this result should also be handled with care due to the low number of respondents working for small enterprises.

Table 3 Masculinity/femininity and company size

no of employees	masculine	feminine	total
2-10	7	9	16
11-50	18	17	35
51-250	29	18	47
250+	78	51	129
total	132	95	227

Source: Own calculations on the basis of own research

Obviously, the research has its limitations. First and foremost the size and non-representative nature of the sample set limits to generalisations. Secondly, the element of subjectivity involved in the process of analysis might have affected the validity of the findings. A third source of bias is that the data are self-reported.

Conclusion

The results of the investigation into business negotiators' preferred characteristics seem to indicate that there has recently been a shift from sound professional knowledge to good communication skills, while thorough preparation has remained a basic requirement.

The results also show that practising business negotiators appear to concentrate more on competition than cooperation. However, the findings do not confirm the view (e.g. Hofstede and Hofstede, 2005, Falk-Bánó, 2014) that the Hungarian culture is highly masculine, nor do they correspond to Falk-Bánó's (2014) fieldwork findings, which indicated a difference in the values held by the younger generation and similar previous findings of the present author (Tompos, 2009). No real differences were found in the two genders' preferences. At the same time, the findings appear to confirm that employees of smaller companies demonstrate higher levels of femininity (e.g. Szőke, 2014).

The results in general indicate that Hungarian negotiators in the field of business, although being assertive, try to balance competition and cooperation during negotiations and possibly appreciate an opponent with the same approach. They appear to believe that it is possible to be fair even during difficult bargaining. Thus, they are more likely to employ integrative bargaining in order to have a win-win outcome than only distributive techniques in order to win and make their counterpart lose.

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