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| Subject | International Business | Date | 12.5.2008 |
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| | | Number of pages | 164 |
| Title | Communicating through cultural differences in Finnish-French pre-acquisition negotiations: Exploring complexities in participants' perceptions | | |
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Abstract

International acquisitions are a crucial strategic initiative involving many challenges in the global economy. Over the last decade, they have gained in popularity. In the evaluation of acquisitions, several studies have shown that between 45–75 per cent of acquisitions failed to deliver the value that was expected by their initiators. On top of all other management factors, cultural differences can be specific challenge in international deals because they are likely to be especially important in the case of an acquisition. Academic research on international acquisitions has not kept pace with the changes. While there is substantial research on typical negotiation processes, there is rather limited information on acquisition negotiations. Thus, *the purpose of this study* is to explore manifestations of cultural differences in Finnish-French pre-acquisition negotiations. This is because cultural differences and the way they manifest themselves in the negotiations, have consequences on the outcome of the acquisition. In this study, one describes the pre-acquisition negotiation process; discovers experiences of trust, perceptions of time and impressions of space and distance; explores dissimilarities in communication patterns and negotiation styles and; explores discrepancies in logic and decision-making between Finnish and French negotiators.

This is a qualitative research implemented as a single case study which is used to explain and question an established theory. Interviewing is chosen as a method of data collection. Semi-structured interviews are primarily implemented by open-ended questions. *The main findings of this study* concerning the manifestations of cultural differences between the Finnish and the French negotiators concern experiencing a great deal of frustration, perceiving of being kept from information and the lack of trust. Differences in the negotiation styles led to confusions and misunderstandings. Taking offence at the opposing party's debating style and the differing bargaining styles and tactics used in the negotiations impeded the mutual communication.

The most significant conclusions based on this study are that since the cultural differences found between the Finnish and the French negotiators seemed to have such consequences that prolonged the duration as well as retarded the progress of the negotiation process while producing the negotiators a striking mental challenge, it seems that knowing the right proportion of information and what kind of information is needed, and more importantly, how to communicate that information is all important when negotiating internationally. Although complexities in communication between the Finns and the French negotiators did not prevent the conclusion of the deal, they prolonged it and thus cost a great deal of resources, both mental and financial. Naturally, these costs of negotiations increased the total cost of the acquisition both directly and indirectly.

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| Key words | yrityskaupat, kulttuurierot, kulttuurivaikutukset, kansainvälinen viestintä |
| Further information | |