Cooperation in Multicultural Negotiations: How the Cultures of People With Low and High Power Interact

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Cooperation in Multicultural Negotiations: How the Cultures of People With Low and High Power Interact

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This study examined whether the cultures of low- and high-power negotiators interact to influence cooperative behavior of low-power negotiators. Managers from 4 different cultural groups (Germany, Hong Kong, Israel, and the United States) negotiated face-to-face in a simulated power-asymmetric commons dilemma. Results supported an interaction effect in which cooperation of people with lower power was influenced by both their culture and the culture of the person with higher power. In particular, in a multicultural setting, low-power managers from Hong Kong, a vertical-collectivist culture emphasizing power differences and group alignment, adjusted their cooperation depending on the culture of the high-power manager with whom they interacted. This study contributes to understanding how culture shapes behavior of people with relatively low power, illustrates how a logic of appropriateness informs cooperation, and highlights the importance of studying multicultural social interactions in the context of negotiations, work teams, and global leadership.

Keywords: cooperation, culture, power, negotiation, social dilemma

In today’s increasingly global, multicultural, and interdependent decision environments, it is crucial to deepen our understanding of interpersonal cooperation. In such settings, it is particularly difficult to apply and enforce structural solutions for aligning incentives and promoting cooperation through institutional practices, such as privatization and regulation through legislation or organizational practices (van Vugt, 1998; Young, 2001). As such, the study of psychological determinants of cooperative behavior becomes increasingly important. In contrast to assumptions grounded in dominant rational choice models, a logic of appropriateness (Arora, Peterson, Krantz, Hardisty, & Reddy, 2012; Dawes & Messick, 2000; Kopelman, 2008, 2009; March, 1994; Messick, 1999; Weber, Kopelman, & Messick, 2004), which broadly addresses the question what does a person like me (identity) do (rules) in a situation like this (recognition) given the culture (group)? (Kopelman, 2009), provides a theoretical lens for understanding people’s decisions to engage in cooperative rather than self-interested behavior. Indeed, psychological factors promoting cooperation (Dawes, 1980; Komorita & Parks, 1994; Kopelman, Weber, & Messick, 2002; Messick & Brewer, 1983; van Lange, Joireman, Parks, & van Dijk, 2013), including the psychological experience of culture, have implications for whether and when people deem it appropriate to cooperate. When more than one culture is at play, however, dynamics influencing cooperation may be complex, particularly if culture interacts with situational variables, such as power asymmetry. This article contributes to theory and practice by examining cooperation of people in low power as a function of the interaction between the cultures of low- and high-power negotiators.

Building on research that has adopted a cultural lens to examine management and organizational behavior broadly (e.g., Gelfand, Erez, & Aycan, 2007; Leung, Bhagat, Buchan, Erez, & Gibson, 2005; Sagiv, Schwartz, & Arieli, 2010), particularly interdependent decision-making in negotiations (e.g., Adair, Okumura, & Brett, 2001; Brett, 2001; Brett & Okumura, 1998; Gelfand & Dyer, 2000) and social dilemmas (e.g., Buchan, Johnson, & Crosno, 2006; Kopelman, 2009; Parks & Vu, 1994; Wade-Benzoni et al., 2002), we adopt a contextual framework of culture (Gelfand & Dyer, 2000) to examine whether and how the interaction between cultures in a multicultural and power-asymmetric setting influences cooperative behavior. Culture has been defined as a group-
level construct (Brett, 2001; Deutsch, 1973; Schwartz, 1994) reflecting a mental model shared by at least two people that influences what individuals believe is important and what they consider to be appropriate behavior in an interdependent decision-making setting (e.g., Chiu, Gelfand, Yamagishi, Shteynberg, & Wan, 2010; Gelfand & Dyer, 2000; Kopelman, 2009; Lytle, Brett, Barsness, Tinsley, & Janssens, 1995). We advance the literature on culture and organizational behavior by going beyond the study of intracultural comparisons (e.g., comparing a group of all U.S. negotiators to a group of all Japanese negotiators; Wade-Benzoni et al., 2002) and discrete intercultural pairings (e.g., a bicultural dyadic setting with a U.S. and a Japanese negotiator; Adair et al., 2001; Brett & Okumura, 1998) to examine multicultural interactions (e.g., a group setting where a U.S. negotiator may face a negotiator from Germany, Hong Kong, or Israel) in the context of power asymmetry. In a multicultural setting, we empirically investigate the role of culture in how people in a position of relatively low power adjust their behavior to those in higher power.

Our research advances the literature not only on culture but also on power in intra- and interorganizational settings by examining how culture impacts decisions of people in situations of low power. Prior research has focused more attention on high power; experiments often compare people in power to those in a control, rather than a low-power, condition (Blader & Chen, 2012; De-Celles, DeRue, Margolis, & Ceramic, 2012; Galinsky, Magee, Gruenfeld, Whitson, & Liljenquist, 2008; Lammers, Stoker, & Stapel, 2009; Tost, Gino, & Larrick, 2013). In particular, a vast theoretical and empirical literature in psychology and behavioral economics looks at how holding power shapes cognitions and behaviors. In the social psychology and decision-making literatures, power refers to asymmetric control over resources, which affords a person control over the outcomes, experiences, or behaviors of others (Keltner, Gruenfeld, & Anderson, 2003; Thibaut & Kelley, 1959). In negotiations—including social dilemmas, which are conceptualized as tacit negotiations (Kopelman, 2009; Schelling, 1960; Thompson, 2001)—objective economic power differences may arise on the basis of alternatives (e.g., best alternative), market share, or future dependence on a resource (see Kim, Pinkley, & Fragale, 2005 for a discussion of perspectives on power in negotiation).

Broadly, the literature on power suggests that power-holders are primarily influenced by their own feelings and experiences, as they do not experience the inhibit response to their cognitions and behaviors to the same degree that individuals of average and lower levels of power experience (Anderson & Galinsky, 2006; Britó, Petty, Valle, Rucker, & Becerra, 2007; Galinsky, Maddux, Gilin, & White, 2008). Correspondingly, research has indicated that power-holders engage in less perspective-taking (Galinsky, Magee, Inesi, & Gruenfeld, 2006), have lower motivation to affiliate with others (Copeland, 1994; De Dreu & van Kleef, 2004; van Kleef et al., 2008), and discount advice offered by others (Tost, Gino, & Larrick, 2012). Consistently, research demonstrates that cooperation of people in high power is influenced by their own culture; those who interpret high power as legitimacy for advancing personal goals may be less cooperative (more self-interested) than those who interpret power as responsibility (Kopelman, 2009; Torelli & Shavitt, 2010). Taken together, extant research suggests that people in high power are impervious to, or relatively unaffected by, their partners’ or counterparts’ attitudes (Anderson & Berdahl, 2002; Berdahl & Martorana, 2006; Galinsky, Magee, et al., 2008; Magee & Galinsky, 2008; Magee & Smith, 2013). In contrast, psychologists researching power dynamics suggest that people with relatively low power may pay greater attention to their high-power counterparts (Magee & Smith, 2013). Perhaps because of their dependence on the other party, people in low power may be more sensitive and responsive, for example, to the emotions of their high-power counterparts than vice versa (Butt & Choi, 2010). In mixed-motive negotiations, groups are able to reach agreements of higher joint gains when low-power negotiators have high aspirations, possibly because low-power negotiators pay higher attention to the options available in their interaction with a high-power negotiator (Mannix & Neale, 1993). Likewise, we suggest that people in low power may be influenced by the culture of the person in higher power.

We theoretically integrate culture and power perspectives by empirically exploring behavior of low-power negotiators in a social dilemma setting. In these settings, behavior of people with low power can be critical for reaching beneficial group outcomes when cooperation is necessary to achieve sustainable results. After a face-to-face discussion of a social dilemma—a situation with an inherent conflict between what is rational at the individual versus the group level (Kahan, 1974)—we explore how culture influences low-power negotiators.

**Hypotheses**

We explore the influence of culture on low-power negotiators in a social dilemma setting, specifically in a simulated commons dilemma with economic power asymmetry. Commons dilemmas (also known as take-some games, common-pool resource games, or resource dilemmas) represent a potential tragedy of the commons (Hardin, 1968), where too many people have legal privileges to use common property without bearing the cost of overuse; as a group, therefore, they are likely to overuse these resources to a point where they are eliminated or destroyed. Commons dilemmas are a subset of a broader phenomenon of social dilemmas (for reviews see, for example, Dawes, 1980; Kollock, 1998; Komorita & Parks, 1994; Kopelman et al., 2002; Messick & Brewer, 1983; Ostrom, 1990; van Lange et al., 2013; Weber et al., 2004), which are social because individual behavior influences others’ welfare, and which represent a dilemma because of the inherent conflict between individual and collective goals. Cooperation is key to sustainably resolving social dilemmas. In contrast with traditional economic models of decision-making in social dilemmas, a logic of appropriateness framework (Arora et al., 2012; Dawes & Messick, 2000; Kopelman, 2008, 2009; March, 1994; Messick, 1999; Weber et al., 2004) accommodates the inherently social nature of social dilemmas. A culturally informed logic of appropriateness identifies four factors that may simultaneously interact to influence the decision-making process (Kopelman, 2009): (a) the identity of the individual making the decision (identity); (b) recognition of the nature of the situation encountered (recognition); (c) the application of rules or heuristics to help guide behavioral choice (rules); and (d) the group-level culture of the people involved (group). In line with a contextual approach to culture (Gelfand & Dyer, 2000), these factors may conceptually inform how culture influences cooperative behavior of people in low power.
Recognizing a particular commons dilemma as a situation with power asymmetry, people with relatively low power may be particularly attuned to those with higher power. As such their decision-making may be influenced by rules or heuristics regarding their expectations of those in high power. A common social heuristic—a rule of thumb providing low-effort systematic reasoning that guides behavior (Chaiken & Trope, 1999; Kahneman & Tversky, 1972; Newell & Simon, 1963)—studied in the context of social dilemmas is the expectation of others’ cooperative behavior. In social dilemmas, given that others’ behavior influences the economic payoffs for an individual, expectations about others’ intended cooperation play a role in the individual’s own decision-making process. In general, peoples’ decisions are correlated with expectations (e.g., Dawes, McTavish, & Shaklee, 1977; Schroeder, Jensen, Reed, Sullivan, & Schwab, 1983; Wade-Benzioni, Tenbrunsel, & Bazerman, 1996; Wade-Benzioni et al., 2002); when they expect others to make self-interested or competitive decisions, they are less likely to cooperate, whereas they are more likely to cooperate when they expect others to cooperate.

In a multicultural setting, we suggest that the culture of the high-power person is likely to impact a low-power individual’s expectations. Recent research has demonstrated that low-power individuals are attuned in their expectations regarding high-power individuals’ values (e.g., see Fu, Tsui, Liu, & Li’s [2010] examination of managers detecting CEOs’ values), and moreover, that judgments of high-ranking individuals’ intentions can arise from something as nuanced as a facial expression (Chen, Myers, Kopelman, & Garcia, 2012). Social cues, such as facial expressions and emotions, have been shown to be related to culturally appropriate norms of behavior (e.g., Den Hartog & Verburg, 1997; Kopelman & Rosette, 2008), and low-power individuals’ perceptions of behavioral cues is often linked to the cultural background of the high-power person (Thomas & Ravlin, 1995). Given that the high-power other’s cooperation in a commons dilemma is informed by his or her own cultural values and norms (Kopelman, 2009) and that interpersonal discussion in social dilemmas influences resource allocation norms and expectations about potential cooperation (e.g., Bettenhausen & Murnighan, 1985; Kerr & Kaufman-Gilliland, 1994; Messick, 1993), we hypothesize that after a face-to-face discussion of the commons dilemma:

**Hypothesis 1:** A relatively low-power individual’s expectation of the high-power other’s cooperative behavior will be influenced by the high-power other’s culture.

The extent to which the actual cooperative behavior of a person with low power is influenced by the social interaction with a high-power person, however, depends on the cultures of both the high- and low-power person. Thus, we posit that one’s own culture also comes into play when deciding whether, or to what degree, to adjust one’s cooperation after a multicultural face-to-face discussion with a person of higher power in a commons dilemma. We suggest that people from some cultures may be particularly responsive to a person in a position of relatively high power, and therefore, cooperation of the person with lower power will be influenced both by that person’s own culture and by the culture of the person in higher power.

More specifically, we propose that in a situation of low power, managers from cultures relatively attuned to power asymmetry and with a collective orientation may be more likely to adjust their behavior based on the culture of the person in high power. Research in negotiation and social dilemmas suggests that cultural values—cross-situational principles that guide one’s life (Schwartz, 1994)—reflect cultural differences that inform cooperation in negotiations and social dilemmas (e.g., Brett, 2001; Brett & Okumura, 1998; Kopelman, 2009; Sagiv, Sverdlik, & Schwarz, 2011; Wade-Benzioni et al., 2002). This research has focused in particular on the cultural values of hierarchy versus egalitarianism (also called vertical vs. horizontal), and individualism versus collectivism; combined, they are conceptualized as vertical-versus-horizontal individualism or collectivism (Shavitt, Lalwani, Zhang, & Torelli, 2006; Shavitt, Zhang, Torelli, & Lalwani, 2006; Singelis, Triandis, Bhawuk, & Gelfand, 1995; Triandis & Gelfand, 1998). Vertical versus horizontal refers to the importance placed on ascribed hierarchical roles in structuring interactions and allocating resources. In vertical cultures, which emphasize differentiated social status, there are resource implications for those who hold, and those who do not hold, power. In cultures that are less hierarchical, social status and economic power asymmetry exist, but people are less receptive to such power differences (Leung, 1997) and their behavior is less likely to depend on contextual cues of power (Kopelman, 2009). Self-direction (Schwartz, 1994), which refers to individualism versus collectivism (Hofstede, 1980; Triandis, 1995), focuses on what drives individuals (Schwartz, 1992, 1994). People low on self-direction are driven to advance the interests of the group over their own goals, and to a lesser degree value autonomy, freedom, and independence.

We propose that the combination of vertical and collectivist values is particularly relevant when considering the influence of culture in the context of low power. Context-dependent low power is likely to be particularly salient to people from vertical cultures, and those from vertical cultures who are also relatively group focused may not only be attuned to the person in high power, but be most likely to adjust their own cooperation based on their social interaction with the person in high power.

This study leverages a unique opportunity to study face-to-face social interactions between executive managers from Germany, Hong Kong, Israel, and the United States, who theoretically differ with respect to cultural values (Brett, 2001; Kopelman, 2009), representing the four possible combinations: horizontal collectivism (Germany), vertical collectivism (Hong Kong), vertical individualism (Israel), and horizontal individualism (United States). In this setting, we broadly hypothesize a cultural interaction, and more specifically, we also hypothesize that low-power managers from a relatively vertical-collectivist culture, such as Hong Kong, which emphasizes both power difference and alignment with the group, will be most likely to adjust their level of cooperation on the basis of their social interaction with a high-power other. Thus, depending on the culture of the person with higher power, managers from Hong Kong may be relatively more or less cooperative. Therefore, we hypothesize that after a face-to-face discussion of a commons dilemma:

**Hypothesis 2a:** The interaction between the cultures of low- and high-power negotiators will influence cooperative behavior of the negotiator with low power.
Hypothesis 2b: In a situation of low power, people from a vertical-collectivist culture will be most likely to adjust their cooperation on the basis of the culture of the high-power other. Specifically, managers from Hong Kong in low power will be relatively more/less cooperative, depending on the culture of the person in higher power.

Method

Participants

Participants in this study were full-time managers enrolled in executive MBA programs in Germany, Hong Kong, Israel, and the United States; all programs were taught in English. Data were collected during joint negotiation courses held at the sponsoring university. Data presented in this article were part of a broader data collection effort; a subset has been published (Kopelman, 2009). Data analyzed in this study were based on the responses of 181 participants who were randomly assigned to low-power positions in a negotiation exercise and included managers from Germany (n = 34), Hong Kong (n = 50), Israel (n = 32), and the United States (n = 65). The unequal numbers reflect the variability in the number of students from each executive MBA program (data were collected between 1999 and 2002; there were no significant differences in study variables across years). Mean age for these participants was 36.8 years (ranging from 27 to 52 years), and 76% were male.

Task, Design, and Procedure

This study examines participants’ decisions in a simulated commons dilemma, Shark Harvesters and Resource Conservation (SHARC), an asymmetric resource negotiation based on real-world scenarios in the fishing industry (Wade-Benzoni, Tenbrunsel, & Bazerman, 1996). The common group goal of the representatives of the commercial (high-power) and recreational (low-power) fishing associations was to reduce harvesting of coastal sharks, which were in danger because collective overharvesting was depleting the population faster than it could replenish itself. The individual goal of each representative was to maximize the association’s economic profitability. Low versus high power in this simulation was defined by the economic profit formula for each fishing association, and was a function of both an association’s harvest level (metric tons of shark) and the total, collective harvest of all associations. Commercial fishermen had higher economic power because their current harvest reflected a higher market share and their overall profits were less dependent on the resource. Thus, power in this commons simulation referred to objective economic power. There was no information asymmetry; each representative knew the profit formulas for all associations.

After reading the case information, participants made an initial set of decisions (prediscussion) before being given their group assignment. Groups consisting of one representative from each fishing association were designed to maximize multicultural variability. Consistent with Kopelman (2009), within each culture, managers from Hong Kong, Germany, Israel, and the United States were randomly assigned to groups and to roles—large commercial (high-power) or recreational fishing associations (low-power). Thus, a Hong Kong participant with low power could meet with a high-power other (HPO) from Germany, Israel, or the United States. After completing the prediscussion decisions (see Kopelman, 2009), participants met with the other association representatives for a 30-min face-to-face communication period, during which they could discuss the situation but could not make a binding commitment to any specified harvesting levels. After the discussion, they individually and confidentially made their final harvest and expectation decisions (postdiscussion). In summary, the prediscussion intended harvesting and expectations were made before knowing the culture of the HPO, whereas the postdiscussion decisions followed a face-to-face discussion with an HPO from a different culture. The pre- and postdiscussion expectation and harvesting decisions were prompted by asking people to record (in metric tons) their own harvest and what they believe other associations would harvest during the next year. After all the data were collected, the experience was debriefed.

Measures

Culture. Culture was based on a match between national culture and the executive MBA program managers attended. These managers (who do not necessarily represent the population of people from these countries) significantly differed with respect to the cultural values of self-direction and hierarchy (Schwartz, 1994) representing the four potential different combinations (Kopelman, 2009): Germany (horizontal collectivism), Hong Kong (vertical collectivism), Israel (vertical individualism), and the United States (horizontal individualism). An ANOVA sampling check of participants in this study confirmed significant differences for both self-direction, F(3, 174) = 4.87, p < .01, and hierarchy, F(3, 174) = 6.84, p < .01, such that managers from Israel and the United States scored significantly higher on self-direction than managers from Hong Kong and Germany; and managers from Hong Kong and Israel were significantly more hierarchical than managers from Germany and the United States.

Cooperation. Cooperation was assessed by calculating the proportional reduction in harvest by the participant from prediscussion to postdiscussion decisions (calculated as (prediscussion harvest—postdiscussion harvest)/prediscussion harvest). A greater reduction (reduced fishing) was indicative of more cooperative behavior by the participant, as it contributed to the group goal of lowering collective harvest to a more sustainable level that would enable long-term viability of the industry and the survival of the species. The proportional variable controlled for a priori cooperative tendencies (prediscussion decisions; see Kopelman, 2009), capturing the impact of the discussion and, therefore, the influence of the face-to-face interaction with the HPO from another culture.

Expectations. The participant’s expectations of the HPO’s cooperation were measured in a similar manner, creating an expected reduction proportion. For example, if after the discussion a participant’s expectation of the HPO harvest level was lower than the initial prediscussion expectation (before knowing the culture of the HPO and meeting face-to-face to discuss the scenario) that would represent a relative positive expectation of HPO cooperation. This measure captures the participant’s expectation of the HPO’s cooperative behavior (not the amount the HPO actually harvested).
Analysis

ANOVA was used to test the interactive effect of the participant’s culture and the HPO’s culture (both categorical variables: Germany, Hong Kong, Israel, or United States) on the participant’s cooperative behavior (continuous variable), as well as to test the effect of the HPO’s culture on participant’s expectations of the HPO’s cooperative behavior (continuous variable). There was no significant group-level variation for expectations or cooperation (random intercept variance $\tau_{\text{res}}$) was not significantly different from zero in unconditional means models for either variable; supplemental analyses using mixed effect ANOVA yielded equivalent results for all hypotheses. Due to the variation in the number of participants from each culture over the 4 years of data collection, two conditions—Israel low power with German HPO, and German low power with Israel HPO (nine participants)—were excluded because of low sample size. The analyses thus include 181 participants across the remaining conditions, and a power analysis (using GPower; Faul, Eldfelder, Lang, & Buchner, 2007) revealed the sample to be sufficient for detecting an effect of moderate size at a power of .80 (Cohen, 1992). Table 1 reports means and SDs of the main study variables (participant culture, HPO culture, cooperation, and expectations), as well as a correlation matrix.

Results

Hypothesis 1 predicted that HPO culture would influence participants’ expectations of HPO cooperation. Supporting this hypothesis, univariate ANOVA revealed a significant effect for HPO culture on participants’ expectations of HPO cooperation, $F(3, 177) = 5.44, p = .01$. This significant main effect revealed that participants (irrespective of their own culture), after the discussion, expected an Israeli HPO ($M = .16, SD = .45$) to be significantly less cooperative than HPOs from Hong Kong ($M = .01, SD = .32$, $t(177) = 2.40, p = .02$) or the United States ($M = .03, SD = .29$, $t(177) = 2.77, p = .01$), and German HPOs ($M = .10, SD = .36$) were expected to be marginally less cooperative than U.S. HPOs, $t(177) = 1.66, p < .10$. There was no significant effect of participant culture (see Table 2 for means), nor of the interaction between low- and high-power cultures, on expectations. Figure 1 plots the significant effect of HPO culture on participants’ expectations of HPO cooperation.

Table 1
Descriptive Statistics and Correlations

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
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<tbody>
<tr>
<td>1. Low Power Germany $^a$</td>
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<td>2. Low Power Hong Kong $^a$</td>
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<td>3. Low Power Israel $^a$</td>
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<td>4. Low Power US $^a$</td>
<td>.36</td>
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<td>5. Germany HPO</td>
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<td>6. Hong Kong HPO $^b$</td>
<td>.29</td>
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<td>7. Israel HPO</td>
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<td>8. US HPO $^b$</td>
<td>.35</td>
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<td>9. Expectation of HPO Reduction (Expectations)</td>
<td>-.04</td>
<td>.36</td>
<td>.06</td>
<td>-.05</td>
<td>.11</td>
<td>-.09</td>
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<td>-.19</td>
<td>.14</td>
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<td>10. Individual Harvest Reduction (Cooperation)</td>
<td>.15</td>
<td>.47</td>
<td>.03</td>
<td>-.01</td>
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<td>-.09</td>
<td>-.04</td>
<td>-.12</td>
<td>.06</td>
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Note. $N = 181$.

$^a$ Dummy variable for low power culture (1 = yes, 0 = no). $^b$ Dummy variable for HPO culture (1 = yes, 0 = no).

$p < .05$.

Hypothesis 2a, which predicted an interaction between participant’s culture and HPO culture on participant’s cooperative behavior, was also supported. Univariate ANOVA revealed no significant main effects for participant’s culture or HPO culture on participant’s own cooperation, but a significant effect for the participant-culture*HPO-culture interaction, $F(3, 171) = 2.79, p = .04$, indicating that the extent to which an individual from a particular culture cooperated after a face-to-face discussion of a social dilemma also depended on the culture of the high-power other.

Moreover, this interaction produced the predicted pattern of results in Hypothesis 2b, such that managers from Hong Kong (vertical collectivists) cooperated at significantly different levels depending on the culture of the HPO, $F(2, 171) = 5.44, p = .01$. In line with prior research, the face-to-face communication period (Kerr & Kaufman-Gilliland, 1994) led to a reduction in harvesting (increased cooperation) of 15% on average for all low-power managers ($M = .15, SD = .47$; see Table 2 for means by culture), and a one-sample $t$ test revealed this reduction to be significantly different than zero, $t(180) = -4.31, p < .001$. However, only managers from Hong Kong varied in their cooperative behavior depending on the culture of the HPO. Exploring the direction of their adjustment revealed that managers from Hong Kong who interacted with an HPO from Germany ($M = .40, SD = .31$) or the United States ($M = .26, SD = .36$) were significantly more cooperative than those who interacted with an HPO from Israel ($M = .16, SD = .70$). Indeed, after a face-to-face conversation with an HPO from Germany, low-power managers from Hong Kong significantly reduced their harvest (increased cooperation) more than all other conditions, $F(1, 179) = 3.75, p = .05$; when they interacted with an HPO from Israel, however, Hong Kong
managers became more competitive (increased their harvest) after the face-to-face conversation—cooperating significantly less than all other conditions, $F(1, 179) = 6.90, p = .01$; see Figure 2.

Discussion

Answering the call to study multicultural interactions in a context that accounts for situational factors (Gelfand & Dyer, 2000; Gelfand et al., 2007), this research extends and contributes to the literature by examining culture and cooperative behavior in the context of low power. Conceptualizing cooperation in resource-interdependent settings as a culturally appropriate decision process, our findings highlight the importance of considering not only one’s own culture but also the culture of others, particularly in the face of power asymmetry. The direction and degree to which people with low power adjusted their behavior after the discussion of the social dilemma supported our hypothesis that the culture of the person in low power and the culture of the person in high power interact to influence cooperation. Consistent with our theoretical rationale, only people from a vertical-collectivist culture (e.g., executive managers from Hong Kong) exhibited the tendency to adjust cooperative behavior depending on the culture of the person in high power. Specifically, managers from Hong Kong with low power were significantly less cooperative, actually increasing their harvest relative to their prediscussion intentions, when the manager with high power was from Israel; and significantly more cooperative when the manager with high power was from Germany. These findings suggest that people with lower power who are from a culture that values hierarchy may be particularly attuned to the power asymmetry in the group, and if they are also relatively group oriented (i.e., vertical-collectivist),
their cooperation may be influenced by the culture of the high-power other and they may adjust their behavior to what they believe is appropriate in this multicultural setting. In this way, this article contributes to the literature on culture and negotiation by demonstrating cooperation of people with relatively low power as a function of the interaction between the cultures of the low- and high-power negotiators. Furthermore, our finding that after a face-to-face discussion all managers expected the high-power other from a vertical-individualist culture (e.g., executive managers from Israel) to be significantly less cooperative (i.e., relatively self-interested and aligned with an economically rational perspective) contributes to the literature on expectations in social dilemmas. It highlights that a low-power person’s expectations may be influenced by the culture of the person with higher power.

This article contributes not only to the literature on culture and cooperation in negotiations and social dilemmas but also to the literature on power. Our findings underscore the importance of empirically investigating the behavior of people with low power. As such, we contribute to the social psychological research on power, which has prioritized understanding the behavior of high-power individuals. The findings align with a newly emerging line of work (e.g., Schaerer, Swaab, & Galinsky, 2015) focusing greater attention on the unique behavioral patterns that low power elicits. In the context of resource negotiations, when in high-power one’s own culture may guide cooperation in social dilemmas (Kopelman, 2009). However, the present findings indicate that the situation is more complex for those with low power; for low-power negotiators, their behavior may be guided not only by their own culture but also by the culture of their high-power counterpart. This finding has important implications for theoretical work on power. Specifically, recent theorizing about the psychological effects of power has hinged on the notion that power makes people less attuned to others in their social environments, whereas the lack of power enhances people’s attunement and responsiveness to those around them (Magee & Smith, 2013). Our findings support this and suggest that culture, of both the low- and high-power parties, may function as an important moderator of these dynamics.

Overall, the pattern of results in this study suggests that when considering the contextual factor of power asymmetry, both the culture of the person with low power and the culture of the person with high power are key to understanding whether and how people in positions of lower power adjust their behavior. Although the pattern of results reveals adjustments of cooperation by vertical collectivists with low power, future research is needed to explore whether people from other cultures have something to learn from the Hong Kong Chinese managers in our study, who were behaviorally attuned to their high-power counterparts. Interestingly, relative expectations of a high-power other did not correlate with our measure of cooperation, generally aligning with our assertion that expectations may translate into altered behavior for some people but not for others, while also mitigating methodological concerns of demand effects from measuring expectations at the same time as cooperation. Indeed, the unique, multicultural approach and methodological design of this study serve as strengths of the dataset; nonetheless, there are limitations. As with other research on cultural values and negotiations, cultural values serve here as a proxy for cultural differences at the group level (e.g., Brett & Okumura, 1998) and may not reflect all managers, nor the population of their countries as a whole. Furthermore, personality factors may have come into play and would be difficult to tease apart from group-level culture of the particular set of executive managers in our sample. Future research could explore the potential interaction between individual differences in negotiation (Sharma, Bottom, & Elfenbein, 2013) and culture, in the context of asymmetric power in a multicultural setting.

Future research might also explore the cultural dynamics at play during the discussion; similar to Adair and colleagues’ (2001) coding of negotiation communications, future research could track communication processes that influence cooperation, such as elicitation of verbal commitments (Kerr & Kaufman-Gilliland, 1994), verbal dominance (Tost et al., 2013), and trust (Gunia, Brett, Nandkeolyar, & Kamdar, 2011; Yamagishi, 1988; Yamagishi et al., 2013), to better understand behavior of people in positions of low power. This would shed light on whether adjustments in cooperation by people with low power are influenced by explicit persuasion attempts of the person with higher power, more nuanced communication patterns indirectly signaling behavior, or other social dynamics. Furthermore, how might cooperation play out if several persons adjust their behavior, or if people overadjust such that they end up taking on the culturally appropriate behaviors of others (Adair, Taylor, & Tinsley, 2009)? Clearly, cooperation in multicultural negotiation settings is a ripe domain for future research.

Our findings have further implications for the behavior of people in positions of relatively low power, particularly in other contexts of power asymmetry or cooperation in multicultural settings. For example, given that followers’ trust and engagement with a leader is critical for promoting important organizational outcomes (Dirks & Ferrin, 2002), our findings suggest that the culture of a leader, as a relevant high-power other, may interact with peoples’ own cultural tendencies to influence behavior. Further, given that teams may be less effective than individuals at promoting cooperation (Kugler & Bornstein, 2013) and that the effectiveness of teams is contingent on culture (Gelfand et al., 2013), our findings suggest that team dynamics and cooperation may depend on the cultures of both low- and high-power members. In this study, we examined cooperation levels after one meeting in which managers from horizontal-versus-vertical individualist or collectivist cultures discussed a commons dilemma; however, over time and multiple interactions, more complex dynamics may emerge in multicultural teams. Over time, extended social interactions may also influence the development and cocreation of a third culture (Useem, Useem, & Donohue, 1963) that reflects a unique set of emergent group values and norms.

When considering, then, the implications of a culturally informed logic of appropriateness (Kopelman, 2009)—what does a person like me (identity) do (rules) in a situation like this (recognition) given the culture (groups)?—in multicultural settings, group-level culture may refer to the interaction between the distinct cultures of particular group members, or to the emergence of a common third culture. To illustrate, a creative marketing person might consider what similar experts (personal-professional identity) would do when asked to lead a campaign, given what the person expects others to do (heuristics expecting equal or equity-based allocation) in a situation where there are junior and senior brand experts (recognition of power asymmetry), and on the basis of...
of the person’s own culture, the culture of the VP of marketing who made the request, or the emergent values and norms of the multicultural global marketing task force (group culture). Interestingly, multicultural dynamics may characterize geographically local interactions (for example, between people with the same national and organizational affiliation, if people are affiliated with different cultures at the group level [e.g., professional cultures within the organization]), thus, broadening the implications of our findings.

To summarize, our research highlights the importance of understanding behavior in multicultural resource-interdependent group settings with power asymmetry, focusing on what might lead people in positions of relatively low power to adjust their behavior and be relatively more or less cooperative. By empirically examining cooperative dynamics in a social dilemma context, this study adds to the growing body of knowledge on negotiations, culture, and power in organizational behavior. Our findings reveal that in multicultural negotiations—whether social dilemmas over natural resources, such as global climate change talks, or over organizational resources arising in corporate team meetings—low-power negotiators from some cultures may be behaviorally attuned to and influenced by the culture of high-power negotiators. Whether this is productive or counterproductive to group goals, global leaders need to be attuned to the potential adjustment in cooperation by people in low power as a function of culture.

References


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