In the intricate world of business negotiations, achieving success is contingent upon meticulous attention to many factors. One crucial determinant that significantly shapes negotiation dynamics is the national culture of the parties involved. Nowhere is this more apparent than in the markets surrounding the Mediterranean Sea, where Cultural Intelligence (CQ) becomes indispensable for achieving favourable outcomes. Cultivating a deep understanding and adaptability to unique cultural norms, values, and behaviors is paramount in this diverse region with its rich historical heritage and extensive economic exchanges.

By appreciating the intricacies of national cultures, negotiators can deftly navigate the complexities of business negotiations and foster prosperous collaborations. Cultural understanding is a guiding compass, helping negotiators uncover shared values, overcome potential misunderstandings, and forge strong connections. This power duo, comprised of business acumen and cultural intelligence, holds the key to unlock your business' potential and empower your team for future success.

"If you do not understand people, you do not understand business".
-Simon Sinek
Negotiations in the Mediterranean region are profoundly influenced by cultural values, beliefs, and communication styles, resulting in significant impacts. Each country in the region possesses its own unique cultural norms and values, which shape the negotiation process.
The Spanish-Egyptian Partnership Case Study

Picture a high-stakes negotiation where two companies, originating from different cultural backgrounds, converge in pursuit of a strategic partnership. In this case study, we delve into the enthralling dynamics between a Spanish firm and an Egyptian organization. Brace yourself for a clash of negotiation styles, communication patterns, and deeply ingrained cultural norms that define this captivating negotiation journey.

The Spanish firm, deeply rooted in its rich heritage, embraces a relatively direct and assertive negotiation style compared to its Egyptian counterparts. Armed with factual data, the Spanish negotiators fearlessly expressed their disagreements while valuing the crucial building of trust through personal connections. Non-verbal cues, like firm handshakes and unwavering eye contact, become powerful tools in their quest to establish rapport.

On the other side, the Egyptian firm gracefully navigates the negotiation process with an unwavering commitment to preserving harmony. Employing indirect communication, their representatives expertly dance through conversations, delicately maintaining social equilibrium. Small talk, pleasantries, and a genuine effort to understand each other's perspectives become the cornerstone of their negotiation.

As the negotiation unfolds, both parties encounter challenges reconciling their divergent negotiation styles. The Spanish firm's directness occasionally borders on perceived aggression by their Egyptian counterparts. Conversely, the Egyptian firm's indirect communication leaves the Spanish negotiators grappling with uncertainties about true intentions. Yet, amidst these hurdles, the negotiators exhibit cultural sensitivity and a remarkable willingness to adapt, leading to the discovery of common ground and the forging of a successful partnership aligned with shared objectives. Cultural awareness, sensitivity, and adaptability emerge as vital ingredients for unlocking the full potential of such negotiations and nurturing enduring partnerships. By weaving these insights into their negotiation practices, negotiators can transcend cultural barriers, harness the power of diversity, and embark on a transformative journey within the global marketplace.

In the Mediterranean, where personal relationships and trust-building hold immense value, it is important to note that the balance between personal and task-oriented relationships can vary across countries. While the Spanish are viewed as relationship-oriented by the British, for instance, they are perceived as task-oriented in the eyes of others, such as the Egyptians. These nuanced cultural dynamics further emphasize the significance of cultural awareness in navigating successful negotiations within the Mediterranean region and beyond.
In conclusion, effective negotiation in the culturally diverse Mediterranean region hinges on understanding and adapting to communication styles. Communication is a vital bridge between nations where lively, expressive, and animated exchanges are prevalent. Using gestures, facial expressions, and body language adds richness and subtlety to conversations. While directness is prized in certain countries like Spain and France, others employ more indirect communication styles, as seen in Arab cultures. Attentiveness to non-verbal cues becomes paramount as they carry additional layers of meaning and context. Active listening and demonstrating respect for diverse viewpoints are indispensable for successful negotiations. Cultivating cultural sensitivity and adaptability to different communication styles empowers negotiators in the Mediterranean to establish rapport, foster understanding, and discover common ground amid cultural diversity.

By recognizing and embracing the unique cultural aspects of each country, negotiators can navigate challenges and forge positive outcomes within this culturally vibrant region.

About the authors

Elisabet Camprubí Homs and Amer Bitar are Hofstede Associate Partners (Leadership, Culture & Change).