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**Bridging Social Distance in Inter-cultural Negotiations: “You” and the Bi-cultural Negotiator**

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Abstract

Purpose – In this study of Korean and U.S. negotiators, we demonstrate limits on the presumption that inter-cultural negotiations are doomed to generate low joint gains. Design/methodology/approach – In a laboratory study with 45 bi-cultural Korean students and 47 mono-cultural American students, we created a total of 16 U.S.-U.S., 15 Korean-Korean, and 15 U.S.-Korean dyads. We audio-recorded their negotiation conversations and analyzed the content of the negotiation transcripts. We focused on the use of pronouns and coded how they were used and the impact this use had on the outcomes of the intra- and inter-cultural negotiations. Findings – Results show that inter-cultural dyads generate higher joint gains than Korean or U.S. intra-cultural dyads. The explanation based on social awareness and social distance theorizing shows that inter-cultural negotiators, one of whom is bi-cultural, who use language, especially the pronoun “you” to close social distance, achieve higher joint gains than intra-cultural negotiators who do not. Research limitations/implications – We conclude that the language people use in social interaction, especially pronouns, is an indicator of social awareness and signals attempts to close social distance. Originality/value – This research demonstrates that the way negotiators use language predicts their economic outcomes.

Keywords: Culture and negotiation, Social distance, Bi-cultural, Language, Pronouns
The research on culture and negotiation has primarily focused on comparative analyses (Brett et al., 1998; Graham, 1983; Usunier, 2003). Only a few studies have investigated inter-cultural negotiations and the combined economic outcomes (joint gains) obtained by the two parties (e.g. Adler and Graham, 1989; Brett and Okumura, 1998; Graham, 1985; Natlandsmyr and Rognes, 1995). Although the research is limited, both theory and empirical findings suggest that inter-cultural negotiations generate lower joint gains than intra-cultural negotiations because of a strategic misalignment between the parties (Adair et al., 2001, 2004; Brett and Okumura, 1998; Usunier, 2003). This study suggests conditions that may limit that generalization. We propose that bi-cultural negotiators can overcome strategic misalignment with their mono-cultural negotiation counterpart to generate high joint gains.

Negotiation is the process of conferring among two or more interdependent parties to arrive at an agreement about some matter over which they are in conflict (Brett, 2007). Because negotiation is inherently a social process, we rely on social awareness and social distance (McGinn and Croson, 2004), as well as communication theory (Brown and Levinson, 1987), to develop our hypotheses. We propose that inter-cultural negotiators who use language that promotes an understanding of the other party and reduces the social distance will realize higher joint gains than intra-cultural negotiators who do not. Our findings support this prediction. While surprising on the surface, our findings are well grounded in theory. Our results are also consistent with other empirical evidence that the language people use in social interaction, especially their use of pronouns, predicts economic outcomes that must be negotiated (Braz and Donohue, 2006; Friedman et al., 2004; Simons, 1993).
THEORY AND HYPOTHESES

Negotiation, Culture, and Joint Gains

The literature on the relationship between cultural dyad type (inter- versus intra-cultural) and joint gains is quite limited. In one study, both U.S. and Japanese intra-cultural dyads gained insight about each other’s preferences and priorities and achieved higher joint gains than U.S.-Japanese inter-cultural dyads (Adair et al., 2001, 2004; Brett and Okumura, 1998). Here the inter-cultural dyads seemed to suffer from having different cultural scripts, such that priority information was shared, but not apparently heard, and lower joint gains resulted. In another study, inter-cultural Mexican and Norwegian negotiators produced joint gains similar to those of intra-cultural Mexican dyads, but lower than those of intra-cultural Norwegian dyads (Natlandsmyr and Rognes, 1995). The Mexican negotiators maintained a dominant strategy of single-issue offers throughout the negotiation, whereas Norwegian negotiators’ gradual use of multi-issue offers with trade-offs provided the insight needed to create higher joint gains. In aggregate, these studies, and others that do not involve cultural differences (Pruitt, 1981; Thompson, 1991), indicate that insight into the other party’s priorities and interests is necessary for joint gains. Furthermore, if the parties do not generate insight due to differing cultural scripts or dominant strategy, joint gains suffer (Adair et al., 2001, 2004; Brett and Okumura, 1998; Teucher et al., 2009).

Culture, Social Awareness, and Social Distance

The cultural and strategic misalignments between inter-cultural negotiators may be due to social distance - the degree of “sympathetic understanding” between two people (Bogardus, 1959, p. 7), and lack of social awareness - the “degree of consciousness of and attention to the other” (McGinn and Croson, 2004, p. 334).
Usunier (2003) provides a taxonomy of cultural differences that are likely to create social distance and therefore impact inter-cultural negotiators. The factors Usunier identifies, drawn from research in cultural psychology, include behavioral predispositions of parties that may be cultural, e.g., values, norms, beliefs; concept of negotiation, e.g., integrative versus distributive; concept of the negotiation process, e.g., appropriate tactics, and the meaning of tactics; and outcome orientation, e.g., relational versus economic. We propose that if inter-cultural negotiators can bridge social distance, they should be able to negotiate joint gains that are as high, or higher, than those of intra-cultural negotiators.

We propose that to bridge social distance in inter-cultural negotiations, at least one party must be socially aware. In writing about media and social awareness in negotiation, McGinn and Croson (2004) suggest that negotiators who are socially aware use their “heightened sensitivity to and immediacy of others” to work together in ways not possible when negotiators are less socially aware (p. 341). Social awareness helps people develop positive interpersonal perceptions, build trust, and engage in reciprocity (McGinn and Croson, 2004). And it has a direct influence on negotiation outcomes (McGinn and Keros, 2002; Moore et al., 1999).

We suggest that bi-culturals may have a higher social awareness than mono-culturals in an inter-cultural negotiation context. Bi-culturals are people who have deep experience in two cultures and have acquired the cultural theories or mindsets (ways of thinking) of both cultures (Benet-Martinez et al., 2002; Haritatos and Benet-Martinez, 2002; Hong et al., 2001). They have complex knowledge structures that are available, accessible, and easily activated by the cultural context in which they find themselves (Hong et al., 2000). Based on their experience of detecting, processing, and reacting to complex cultural cues, bi-culturals should have a higher social awareness than mono-culturals in an inter-cultural negotiation context (Gutierrez and Sameroff,
1990; Gutierrez et al., 1988). Because bi-culturals have high levels of cultural empathy (Benet-Martinez et al., 2002) and are good at perspective taking (Gutierrez and Sameroff, 1990), they should also be skilled at closing the social distance between two cultures. Finally, bi-culturals should be motivated to close social distance between two cultures when engaged in a negotiation in the other party’s mainstream culture (Benet-Martinez et al., 2002). The context of the inter-cultural negotiation should signal the potential of a strategic misalignment between the parties more strongly to socially aware bi-cultural, than mono-cultural, negotiators. Socially aware bi-culturals should also have the experience to know that in such a context, if they don’t build the bridge, it will not be built.

**Social Awareness and Language**

We make two proposals regarding language. First, we propose that negotiators’ use of language—particularly, pronouns—reflects their social awareness. Second, we propose that negotiators who use language reflecting awareness of and sensitivity to the other party will realize higher joint gains than negotiators who do not use such language. Linguistic approaches to the study of negotiators’ behaviors and outcomes are not all that common; however, there are several examples (Drake and Moberg, 1986; Friedman et al., 2004; Simons, 1993; Swaab et al., 2009). Analyzing negotiators’ language provides a subtle, yet sophisticated, way to study their perceptions of the situation and their sense of relatedness to the other party.

The language people use provides insight into their thoughts (Hunt and Agnoli, 1991), perceptions (Thorne, 2000), social interpretations and inferences, and value judgments (Gumperz and Levinson, 1991). The language people use also signals how they perceive themselves and their relationships with others (Kashima and Kashima, 1998). Pronouns are particularly critical in this role.
The use and choice of pronouns provide important insights into social relationships because pronouns have linguistic functions that contribute to construction of identity and a social reality (Mühlhausler and Harré, 1990). As we elaborate below, particular pronouns signal the relation of the person to the listener (Brown and Levinson, 1987). The way in which speakers use pronouns provides information about whether the speaker and the listener see themselves as located proximally or distally within the conversational and social space (Brown and Levinson, 1987; Kamio, 2001). Past research has primarily focused on the use of pronouns in the dispute and distributive negotiation contexts (Lewicki et al., 2003; Taylor and Thomas, 2008). We add to this literature by looking at the mixed-motive integrative negotiation context, allowing us to study the joint gains of both parties.

Personal pronouns, such as “you”, “I”, or “we”, place the speaker and the addressee within a specific social context (Kashima and Kashima, 1998). For example, “I” emphasizes the social distance between the speaker and the social context (Kühnen et al., 2001). Both “we” and “you” index social interdependency between the speaker and addressee. “We” emphasizes shared identity (Housley et al., 2010; Simmons et al., 2005), inclusiveness of the parties (Mühlhausler and Harré, 1990; Wales, 1996), and similarity between the parties (Bhat, 2004). “You”, as we elaborate below, reflects social distance between the parties (Olekalns et al., 2007). In this study we focus on the pronoun “you” because in the context of inter-cultural integrative negotiation parties need to close social distance.

**Social Distance and the Pronoun “You”**

The pronoun “you” implies the presence of an assumed other and introduces assumptions about two different sides, namely, the speaker and the addressee (Pennycook, 1994). The use of “you” in the context of negotiations reflects an awareness of the distinctiveness of the other person. The use of “you” also indicates social attentiveness toward the other (Cheng and Chartrand, 2003). “You” signals an other-focus (Cheng and Chartrand, 2003) or an other-orientation (Ickes et al., 1986). “You”
demonstrates that the speaker is trying to take the other’s perspective (Uljin et al., 2001). If in using “you” negotiators are attempting to understand the other, for example, by asking “what are your priorities?” or “why are you taking that position?” the use of “you” may both reflect an acknowledgment of differences and an effort to close social distance by learning about the other. This leads us to hypothesize that negotiators who use “you” more frequently to close social distance will negotiate higher joint gains than those who use “you” less frequently for this purpose.

Hypothesis 1. The dyads that use “you” more frequently to close social distance will negotiate higher joint gains than those that use “you” less frequently.

We expect inter-cultural dyads to use the pronoun “you” more than intra-cultural dyads. We propose that in doing so inter-cultural dyads will realize higher joint gains than intra-cultural dyads. Our reasoning is that bi-cultural negotiators’ complex knowledge structures, cued by the inter-cultural context of their negotiation, fit well with the complexity of the task of identifying the trade-offs required to negotiate joint gains. In contrast, we suggest that mono-culturals in intra-cultural negotiations (U.S.-U.S. dyads in our study) will be less likely than bi-culturals to pay attention to social distance between the parties, and therefore won’t be motivated to close that distance. In addition, we also suggest the same phenomenon will affect bi-culturals negotiating in an intra-cultural context (Korean-Korean bi-cultural dyads in our study). We propose that the intra-cultural context will not have the same power to cue these bi-culturals to pay attention to social distance as the inter-cultural context. We predict that like the intra-cultural American dyads, the intra-cultural Korean dyads will negotiate lower joint gains than the inter-cultural dyads.

Hypothesis 2. Inter-cultural dyads will use “you” more frequently to close social distance than intra-cultural dyads.

Hypothesis 3. Inter-cultural dyads will realize higher joint gains than intra-cultural dyads.
The logic underlying Hypotheses 1-3 leads us to propose that the use of the pronoun “you” in an attempt at closing social distance will explain differences between inter- and intra-cultural dyads’ joint gains. Seeking to close social distance will lead inter-cultural negotiators to higher joint gains than intra-cultural negotiators who are less likely to perceive social distance and so be less motivated to investigate and close it. Thus, we propose that differences in joint gains between inter- versus intra-cultural dyads will be mediated by differential use of the pronoun “you”.

_Hypothesis 4._ Use of “you” that closes social distance will mediate the relationship between dyad type (inter- versus intra-cultural) and joint gains.

**METHODS**

**Participants**

Ninety-two (47 U.S. and 45 Korean) undergraduate students—recruited from a subject pool and student organizations at a highly selective northeastern university in the U.S.—participated in a laboratory study in exchange for $15. The U.S. sample consisted of European Americans, was 34% male and had an average age of 20.48 (SD = 1.49). The Korean sample was 38% male and had an average age of 24.50 (SD = 5.12). The Korean participants were born in the Republic of Korea and enrolled in degree programs (they were not “semester abroad” students) at the U.S. university. To gain entrance to this Ivy League university, they were highly motivated to continue their studies in the United States and spoke both English and Korean fluently. These bi-cultural Koreans had lived in the U.S. an average of 4.09 years (SD = 3.95), similar to the bi-culturals in Hong _et al._ (2001). Age and gender were unrelated to the independent and dependent variables in this study.
Participants were randomly assigned to either an intra-cultural negotiation dyad (a U.S. participant negotiating with another U.S. participant; a Korean participant negotiating with another Korean participant) or an inter-cultural dyad (a U.S. participant negotiating with a Korean participant) and were randomly assigned to negotiation role. A total of 16 U.S.-U.S. dyads, 15 Korean-Korean dyads, and 15 U.S.-Korean dyads were created.

**Negotiation Task**

Participants negotiated a two-party negotiation simulation called “New Recruit,” an employment contract negotiation between a job candidate and a recruiter (Neale, 2000). We adapted the simulation by setting the negotiation within a multinational company with branches in the U.S. and the Republic of Korea. The negotiation task included two distributive issues (salary and starting date), four integrative issues (bonus, vacation time, payment of moving expenses, and insurance coverage), and two compatible issues (job assignment and location). The payoff matrix for this negotiation is in Table 1. U.S. participants received all materials in English, and they negotiated in English. Korean participants received all materials in Korean. All materials were translated into Korean and back-translated into English to ensure accuracy (Brislin, 1970). Korean participants negotiated in Korean in the intra-cultural dyads and negotiated in English in the inter-cultural dyads.

**Procedure**

Participants were told that they would negotiate a two-party employment negotiation between a recruiter and a candidate. They had 15 minutes to read their confidential role information and to prepare individually. They then met the other negotiator, were shown to a private room, and had 40 minutes to negotiate. The preparation and negotiation timing were based on pre-testing. All negotiations were audio recorded. After the negotiation, each dyad submitted an
agreement form summarizing the terms of their negotiated outcome. All participants completed a questionnaire in which their demographics were measured. At the end of the study, all participants were debriefed, thanked, and paid.

**Measures**

*Dyad type.* Dyads were coded as being inter-cultural, intra-cultural-Korean, or intra-cultural-U.S. For tests of inter- versus intra-cultural dyad type, inter-cultural dyads were coded “1” and intra-cultural dyads were coded “0”.

*Pronouns.* All of the audio recordings were transcribed. Those in English were transcribed by a native English speaker; those in Korean by a native Korean speaker, who then subsequently translated the Korean transcripts into English. One of the authors fluent in both languages then reviewed all of the translations for accuracy.

We measured the use of pronouns with Pennebaker *et al.*’s (2001) Linguistic Inquiry and Word Count (LIWC) program. The LIWC analysis reports the percentage of a key word compared to the total number of words used in the negotiation. Using a percentage controls for variation in the number of words used in the different negotiations. We measured the use of “you”. To rule out potential alternative explanations that it was not “you” but other pronouns that relate to joint gains, we also measured “we” and “I”.

“You.” “You” was operationalized using a linguistic category reflecting the percentage of you, your, yours, you’d, and you’ll out of the total word count. Some phrases that were coded as indicating the pronoun “you” were: “What do you think is fair?” and “You’re a big company.”

Then, to determine whether “you” was being used to close social distance in negotiation, we turned to the seminal papers for coding integrative negotiation strategy (Olekalns and Smith, 2003; Weingart *et al.*, 1990). We had two coders blind to the hypotheses of the study code each use
of “you” into one of six categories. Specifically, we coded for (1) asking about the other’s preferences and/or priorities (e.g. “When would you like to start?”); (2) showing insight into the other’s preferences and/or priorities (e.g. “…that also depends on where you live. I mean if you live in San Francisco, …”); (3) statements about one’s own preferences and/or priorities (e.g. “I can start you in August”); (4) statements of fact which included all “you” pronouns used in factual statements and supportive arguments which were not directly related to the issues (e.g. “As of right now, because you are such an important employee…”); (5) making an offer (e.g. “What about I give you 10,000?”); and (6) other which included all other “you” pronouns including those that were used due to grammatical necessity. One of our coders reviewed all the transcripts, the second coded 15 of the 46 transcripts to check for inter-rater reliability. Cohen’s kappa was .69, which is considered good (Bakeman and Gottman, 1997). The coders discussed and resolved all discrepancies.

Three categories of “you”—asking about the other’s preferences/priorities, showing insight into the other’s preferences/priorities, and making offers—were conceptually related to closing social distance by focusing on the other party. Three other categories of “you”—statements of fact, stating own preferences/priorities, and other—did not seem to be related conceptually to closing social distance. Therefore, we checked the intercorrelations of the first three categories of “you”. Asking about the other’s preferences/priorities was positively correlated with showing insight into the other’s preferences/priorities ($r = .33, p < .03$) and making offers ($r = .52, p < .01$). And showing insight into the other’s preferences/priorities was positively related to making offers ($r = .51, p < .01$). Thus, we summed them into a single index which we refer to as a social-distance-closing index. The other three categories of “you” were not significantly correlated with one another to justify making an index of them (see Table 2).
“We.” “We” was operationalized using a linguistic category reflecting the frequency of words including *we, our, us, ourselves,* and *we’ve.* Some phrases that were coded as indicating the pronoun “we” are: “We could just go to the middle” and “Why don’t we both add up our point totals.”

“I.” “I” was operationalized using a linguistic category reflecting the frequency of words including *I, I’d, I’ll, I’ve, me, mine, my,* and *myself.* Some example phrases are “I’m looking for a job” and “Money is the most important thing to me.”

**Joint gain.** Our dependent variable was the total number of points the two parties earned via the negotiated agreement. As can be seen in Table 1, each issue had five potential options, each of which had a specific point value for each party. We summed the number of points for each party across the eight issues and then added these two totals together. All dyads reached an agreement. This is not unusual for this exercise since there is a large zone of possible agreement.

**Analysis**

The dyad was the unit of analysis for hypothesis testing. We tested Hypothesis 1 with an ordinary least squares multiple regression. We used the four coded “you” categories (the social-distance-closing index, statement of own preferences/priorities, statement of facts, the other category), together with “we” and “I”, to predict joint gains. We tested Hypothesis 2 with multivariate analysis of variance (MANOVA), again using the four coded “you” categories. For Hypothesis 3 we ran an ANOVA with joint gains as the dependent variable. We tested for mediation in Hypothesis 4 in accordance with Baron and Kenny (1986). Additionally, we conducted a bootstrapping analysis and computed a 95% confidence interval around the indirect effect (Preacher and Hayes, 2008; Shrout and Bolger, 2002). Mediation is indicated by confidence intervals that do not contain zero.
RESULTS

The means, standard deviations, and correlations for the independent and dependent variables are in Table 2. Hypothesis 1 predicting that the more a dyad used “you” to close social distance the higher its joint gains was supported (see Table 3). The regression analysis revealed that the only “you” category related to joint gains was the social-distance-closing index. When controlling for the three other “you” categories, together with “we” and “I”, this relationship was statistically significant, $B = 80,402.60$, $SE = 34,301.75$, $t = 2.34$, $p = .02$; $F(6, 39) = 2.70$, $p = .03$, Adjusted $R^2 = .19$.

Hypothesis 2 predicted that inter-cultural dyads would use “you” more frequently to close social distance than intra-cultural dyads. The results contrasting the use of “you” as a social-distance-closing index versus other uses of “you” strongly supported our hypotheses. Specifically, the MANOVA including the social-distance-closing index and three other categories of “you” as dependent variables was significant, $F(4, 41) = 2.96$, $p = .03$, partial $\eta^2 = .22$. Subsequent univariate tests revealed that inter-cultural dyads used “you” to close social distance (i.e., to ask about the other’s preferences/priorities, show insight into the other’s preferences/priorities, and make offers) ($M = .022$, $SD = .01$) more than intra-cultural dyads ($M = .016$, $SD = .007$), $F(1, 44) = 6.46$, $p = .01$, partial $\eta^2 = .13$. Inter-cultural dyads used “you” less when making statements about one’s own preferences/priorities ($M = .003$, $SD = .002$) than intra-cultural dyads ($M = .004$, $SD = .002$), $F(1, 44) = 3.22$, $p = .08$, partial $\eta^2 = .07$. This pattern of results is consistent with our reasoning that inter-cultural dyads’ greater use of “you” is to understand the other party and close social distance between parties. Inter- versus intra-cultural dyads did not differ in the statements of facts or the other category “you”, $F$’s $< 1$.

We also ran an exploratory post hoc analysis to see if there were differences between dyad type (U.S.-U.S., Korean-Korean, or U.S.-Korean) in the use of “you”. The multivariate
analysis of variance including the social-distance-closing “you” and three other “you” categories was significant, $F(8, 82) = 4.61, p = .00$, partial $\eta^2 = .31$. Subsequent univariate tests revealed significant differences between dyad type in using “you” to close social distance, $F(2, 43) = 4.50, p = .02$, partial $\eta^2 = .17$, and making statements of fact, $F(2, 43) = 10.97, p = .00$, partial $\eta^2 = .34$. The means and standard deviations are provided in Table 4. Post hoc comparisons showed that Korean-Korean dyads used the social-distance-closing indexed “you” less frequently than U.S.-Korean dyads ($p = .004$). When making statements of fact, however, Korean-Korean dyads used “you” more than either U.S.-Korean dyads ($p = .01$) or U.S.-U.S. dyads ($p = .00$). U.S.-U.S. dyads used “you” somewhat less when stating facts than U.S.-Korean dyads ($p = .06$). No other differences were significant.

We also inquired whether the use of social-distance-closing “you” was due to the efforts of one negotiator in the inter-cultural dyads or if it was being used commensurately by both parties (suggesting reciprocation). Within inter-cultural dyads, Koreans’ use of social-distance-closing “you” was positively correlated with Americans’ ($r = .65, p < .01$). Furthermore, there were no differences based on culture. Koreans and Americans in inter-cultural dyads used social-distance-closing “you” similarly, $F(1, 28) = 2.51, p = .13$. These results are consistent with the view that reciprocity is a rule that all human societies subscribe to in social exchange (Gouldner, 1960) and which governs the process of information disclosure in negotiation (Adair and Brett, 2005; Thompson, 1991), engaging the mono- and bi-cultural negotiators of an inter-cultural dyad in the joint process of closing social distance.

Hypothesis 3 predicted that inter-cultural dyads would negotiate higher joint gains than intra-cultural dyads and was also supported. Inter-cultural dyads negotiated higher joint gains ($M = 10,880.00, SD = 1,339.08$) than intra-cultural dyads ($M = 9,541.93, SD = 2,126.15$), $F(1, 44) =$
4.96, p = .03. There was no difference in joint gains between intra-cultural U.S. \( (M = 9,562.50, SD = 1,786.20) \) and intra-cultural Korean dyads \( (M = 9,520.00, SD = 2,503.48) \), \( F < 1 \).

Hypothesis 4 proposed that differences in joint gains based on dyad type would be mediated by use of “you” to close social distance. This hypothesis was supported. The social-distance-closing indexed “you” did mediate the relationship between dyad type and joint gains. When the social-distance-closing indexed “you” and dyad type were entered as predictors of joint gains, the effect of dyad type became non-significant, \( B = 857.45, SE = 618.08, t = 1.39, p = .17 \), and the effect of “you” remained significant, \( B = 75,568.73, SE = 34,763.94, t = 2.17, p = .03 \). Additionally, the bootstrapping analysis produced a confidence interval ranging from 38.30 to 1223.83. Zero fell outside of this interval; thus, using “you” when employing these social-distance-closing strategies mediated the relationship between dyad type and joint gains.

**Alternative Explanations**

We ran several additional analyses to rule out possible threats to the validity of our findings. First, although we assigned participants to inter- versus intra-cultural dyads randomly, it was possible that Koreans in the inter-cultural dyads were different from Koreans in the intra-cultural dyads in their acculturation to begin with. However, Korean participants in inter-cultural dyads \( (M = 4.57 \text{ years}, SD = 4.06) \) did not differ from those in intra-cultural dyads \( (M = 4.02 \text{ years}, SD = 3.37) \) on the amount of time they had lived in the U.S, \( F < 1 \).

One might argue that participants on the same campus, especially those with the same cultural background, might have known each other; thus, the intra-cultural dyads might have avoided pushing too much during the negotiation, generating lower joint gains than inter-cultural dyads. To rule out this possibility, we asked participants how strongly they identified themselves with their negotiating counterparty as students of the same university \( (1 = \text{not at all}; 7 = \text{very}) \)
much). We found no differences across dyad type: U.S. participants in intra-cultural dyads ($M = 4.45, SD = 1.55$), U.S. participants in inter-cultural dyads ($M = 4.89, SD = 1.64$), Korean participants in intra-cultural dyads ($M = 4.56, SD = 1.37$), and Korean participants in inter-cultural dyads ($M = 4.38, SD = 1.29$), $F < 1$.

It is also possible that participants used the pronoun “you” in different frequencies based on the culture and their role in the negotiation. Analyses indicated that the use of “you” did not vary by these factors. There were no significant differences in use of “you” between U.S. negotiators and Korean negotiators. U.S. recruiters used “you” 4.35% ($SD = 1.27$) and Korean recruiters used “you” 3.67% ($SD = 1.43$), $F(1, 44) = 2.91, n.s$. U.S. candidates used “you” 1.39% ($SD = .81$) and Korean candidates used “you” 1.81% ($SD = .91$), $F(1, 44) = 2.73, n.s$. These findings suggest that different frequencies of pronoun use by culture and negotiator role do not account for our results.

Finally, to consider alternative explanations related to the use of “we” and “I”, we tested for mean differences between intra- and inter-cultural dyads. Intra-cultural dyads ($M = 3.11, SD = 1.03$) used “we” significantly more than inter-cultural dyads ($M = 2.24, SD = 1.46$), $F(1, 45) = 5.53, p = .02$, partial $\eta^2 = .11$. Dyads did not vary in use of “I” (intra-cultural dyads: $M = 3.09, SD = .98$; inter-cultural dyads: $M = 4.03, SD = 1.07$), $F < 1$. However, as stated above when resorting the results of testing Hypothesis 1, neither “we” nor “I” predicted joint gains, ruling out mediation by “we” or “I” and providing further support that it is the use of “you” that closes social distance to increase joint gains in negotiations.

**DISCUSSION**

This study shows that inter-cultural negotiators who use language to close social distance, negotiate higher joint gains than intra-cultural negotiators. The theory of culture and negotiation presumes that the social distance between negotiators from different cultures causes lower joint
gains than intra-cultural negotiations because of a strategic misalignment between the parties. In this study we showed that social distance in inter-cultural negotiations can be bridged. The proximal reason was that inter-cultural negotiators signaled social awareness and acted to close social distance through their use of the pronoun “you”. An important question raised by this research is why the inter-cultural negotiators in this study were able to bridge social distance, and inter-cultural negotiators in other studies (e.g. Brett and Okumura, 1998; Natlandsmyr and Rognes, 1995) were unable to do so?

Dynamic constructivist theory (Morris and Gelfand, 2004) as applied to bi-culturals (Hong et al., 2000) suggests the answer. People who are bi-cultural have acquired the cultural theories or mindsets (ways of thinking) of both cultures (Benet-Martinez et al., 2002; Haritatos and Benet-Martinez, 2002; Hong et al., 2001). The Koreans in our study were likely to have been much more bi-cultural than say the Japanese negotiators in the Brett and Okumura (1998) study of inter-cultural negotiations. The bi-cultural students in our study were enrolled in multi-year degree programs in a highly selective U.S. university. They were not in the U.S. on a short term stay, but they also were not accompanied to the U.S. by family. They were immersed in classes, projects, and social activities with American students. In contrast, the Japanese managers participating in the inter-cultural negotiations in the Brett and Okumura (1998) study were engaged in short term assignments working for Japanese companies in the U.S. Most also had families with them. Thus, these Japanese negotiators were more embedded in Japanese organizational and family culture whereas our Korean negotiators were more embedded in the U.S. culture. Dynamic constructivist theory also offers an explanation for why the bi-cultural Koreans did not use their complex knowledge structures to close social distance in their intra-cultural negotiations. We can assume that the intra-cultural Korean negotiators, like the inter-
cultural Korean negotiators, had knowledge structures available and accessible. However, the intra-cultural context did not activate those structures. Negotiating in an intra-cultural context did not cue bi-cultural negotiators to close social-cultural distance which they did not perceive.

This study also contributes to the growing area of research that provides empirical evidence of how language reveals social inferences and signals how we perceive our relationships with others. The study identified the importance of the use of the second person pronoun “you”, as opposed to the first person pronouns “I” or “we”, for generating joint gains especially in inter-cultural negotiations. On the surface, it would seem that the pronoun “we” would set up the negotiation for a focus on mutual gains and the pronoun “I” would set the dyad on the road to sharing information about the self. Indeed, dyads did vary in their use of “we” such that intra-cultural dyads relied on “we” more than inter-cultural dyads, reflecting their recognition of an ingroup member (Housley et al., 2010). Yet, the use of neither of these pronouns was related to joint gains whereas the use of “you” to close social distance was. This may be because the use of “you” that closes social distance seeks to understand the other’s positions, interests, and priorities—information that generates insight necessary to negotiate high joint gains (Pruitt, 1981; Thompson, 1991). Our findings provide validity for our theorizing that only pronouns that close social distance by signaling attention to and focus on the other party will lead to joint gains.

Our study further distinguishes the use of “you” in negotiations by showing that not all uses of “you” are equally useful for generating joint gains. When “you” was used to ask about the other party’s preferences and priorities, to show insight, and to make offers, its use related to joint gains. Not surprisingly, these are well documented as value-creating strategies in negotiation (Adair and Brett, 2005; Olekalns and Smith, 2000; Olekalns et al., 1996; Pruitt,
When “you” was used to provide facts, to share own preferences, or to discuss other issues, its use did not correlate with joint gains. Thus, the data in this study not only provide evidence of validity with respect to the use of pronouns, but also converge with previous research on negotiation strategy.

Our evidence concerning the use of “you” stands in contrast to several studies of the use of “you” in the context of dispute resolution (Lewicki et al., 2003; Taylor and Thomas, 2008). For example, husbands’ and wives’ use of “you” reflected distancing and blaming behavior in child custody mediations (Olekalns et al., 2007) and in marital therapy (Hahlweg et al., 1984). The high frequency of the pronoun “you” was also associated with an increased number of impasses during mediations (Olekalns et al., 2007). This contradiction surrounding the use of “you” in our own work and in the couple’s (or marital) therapy literatures is worth future research. We believe the differences are due to the nature of the disputing context of these couples and the integrative deal-making context of our recruiters and job candidates. In disputes, negotiators come to the table angry, are negotiating to minimize losses, and are highly interdependent (Brett, 2007). If disputing parties do not reach agreement, they will either have to go on disputing, unless one gives in, or involve a third party. In deal-making, negotiators come to the table optimistic—they are negotiating with their best potential partner, are negotiating to maximize gains, and are less interdependent (at least less than disputing parties because deal-makers can walk away from the negotiation) (Brett, 2007). Thus, just as we saw in our study with the use of the pronoun “you” being influenced by context (i.e., inter- versus intra-cultural dyads), we suggest that the context of deal-making in our study compared to the context of disputes in the marital couple studies makes a difference.
The linguistic and contextual characteristics of Korean language should also be considered for future research. Korean language has formal and informal forms of you. When Koreans interact with a stranger—like our participants negotiating with a stranger, using formal you is culturally normative. Thus all Koreans in our study—regardless of negotiating intra- or inter-culturally—must have spoken the formal you. However, when Koreans negotiate with a friend, informal you is appropriate. Future research should examine the relationship among negotiation context (stranger versus friend), formal or informal use of you, and joint gains to understand how bi-cultural negotiators’ language use influences negotiation outcomes.

The implication of these findings for culture and negotiation theory and practice is that bi-culturals may turn out to be very good inter-cultural negotiators. Future research is needed to test the generalizability of this conclusion, not just with bi-cultural Koreans but with many different negotiators with bi-cultural experience. We show that inter-cultural negotiations can generate high joint gains at least when one member of the inter-cultural dyad is bi-cultural and Korean. The obvious question is: Can bi-cultural Chinese, Indians, Brazilians, or Germans do the same thing? Dynamic constructivist theory and research on bi-culturals suggests that there should be nothing particular about being a Korean bi-cultural that generates the high joint gains in this study. The evidence that bi-culturals have complex knowledge structures and are adept at applying those structures appropriately when cued by the context is solid (Benet-Martinez et al., 2002; Hong et al., 2000). However, evidence of generalizability of our finding would be valuable. This is particularly so because most studies of bi-culturals have been of university students, and many of the studies have been with Asian students (Benet-Martinez et al., 2002; Haritatos and Benet-Martinez, 2002; Hong et al., 2001).
It is possible that it is something about the university student experience that stimulates bi-cultural students to develop the complex mindset and ability to switch between cultures, which facilitated joint gains in the inter-cultural negotiations we studied. What is important about the findings of this study is that the bi-cultural Koreans in the intra-cultural negotiations were not as adept at closing social distance as were their counterparts in the inter-cultural negotiation context. This was not due to differences between the two sets of Korean bi-culturals. Instead, this was due to the different contexts in which they were negotiating. Thus, the effect is not just due to being bi-cultural, but bi-cultural interacting in an inter-cultural context.

There may also be an effect associated with being a bi-cultural Asian. There are well documented characteristics of the East Asian mindset and ways of thinking (Nisbett, 2003) that may contribute to the ability to close social distance in an inter-cultural negotiation. For example, Nisbett (2003) suggests that East Asians focus on the situational rather than the personal; on relationships rather than attributes and rules; on experience, holism, and continuity rather than formal analytic logic; and embrace contradictions rather than reject one argument in favor of another. However, if the effect were just East Asian, then the joint gains of the intra-cultural Korean negotiations should have been equal to those of the inter-cultural negotiations, and they were not.

What remains to be tested is the effect of the mainstream culture in which the inter-cultural negotiations were embedded. The negotiations in this study occurred in the U.S. Would the inter-cultural results be similar if the negotiation between the Korean bi-cultural and the American mono-cultural occurred in Korea?
Conclusion

The result of this study—that inter-cultural negotiators generate higher joint gains than intra-cultural negotiators—is only surprising on its surface. Theory about the role of social awareness in negotiations and evidence of the social awareness and social competency of bi-cultural when placed in an inter-cultural situation provide a strong basis for predicting the result. The particular use of words, in this case the pronoun “you” used to close social distance, provides a solid basis for explaining the result. The focus on being aware of social distance and closing it is the critical element for negotiators’ success. Bi-cultural negotiators seem to have that advantage.
REFERENCES


Bogardus, E.S. (1959), *Social Distance*. Yellow Springs, OH: Antioch.


AUTHORS’ NOTES

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Table 1. Payoff Matrix.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Options</th>
<th>Points – Recruiter</th>
<th>Points - Candidate</th>
</tr>
</thead>
<tbody>
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<td><strong>Bonus</strong></td>
<td>10 %</td>
<td>0</td>
<td>4000</td>
</tr>
<tr>
<td></td>
<td>8 %</td>
<td>400</td>
<td>3000</td>
</tr>
<tr>
<td></td>
<td>6 %</td>
<td>800</td>
<td>2000</td>
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<tr>
<td></td>
<td>4 %</td>
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<td>1000</td>
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<td></td>
<td>2 %</td>
<td>1600</td>
<td>0</td>
</tr>
<tr>
<td><strong>Job Assignment</strong></td>
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<td>-2400</td>
<td>-2400</td>
</tr>
<tr>
<td></td>
<td>Division D</td>
<td>-1800</td>
<td>-1800</td>
</tr>
<tr>
<td></td>
<td>Division C</td>
<td>-1200</td>
<td>-1200</td>
</tr>
<tr>
<td></td>
<td>Division B</td>
<td>-600</td>
<td>-600</td>
</tr>
<tr>
<td></td>
<td>Division A</td>
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<td></td>
<td>20 days</td>
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<td>15 days</td>
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</tr>
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<td></td>
<td>5 days</td>
<td>4000</td>
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<tr>
<td></td>
<td>June 15</td>
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<td>1800</td>
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<tr>
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<td>August 1</td>
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<tr>
<td><strong>Moving Expense Coverage</strong></td>
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</tr>
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<td></td>
<td>90 %</td>
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<td>80 %</td>
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<td>Plan B</td>
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</tr>
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<td></td>
<td>Plan C</td>
<td>1600</td>
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</tr>
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<td>Plan D</td>
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<td>Pusan (Korea)</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>Seoul (Korea)</td>
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<td></td>
<td>San Francisco (USA)</td>
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Table 2. Descriptives and Correlations between Independent and Dependent Variables.

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<th></th>
<th>Mean</th>
<th>SD</th>
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<th>3</th>
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<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>UU dyad&lt;sup&gt;a&lt;/sup&gt;</td>
<td>0.35</td>
<td>0.48</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>KK dyad&lt;sup&gt;b&lt;/sup&gt;</td>
<td>0.33</td>
<td>0.47</td>
<td>-0.51**</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Dyad type&lt;sup&gt;c&lt;/sup&gt;</td>
<td>0.33</td>
<td>0.47</td>
<td>-0.51**</td>
<td>-0.48**</td>
<td>---</td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>4</td>
<td>Joint gains</td>
<td>9978.26</td>
<td>1993.42</td>
<td>-0.15</td>
<td>-0.16</td>
<td>0.32*</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>All uses of you</td>
<td>0.03</td>
<td>0.009</td>
<td>-0.14</td>
<td>-0.14</td>
<td>0.28+</td>
<td>0.31*</td>
<td>---</td>
<td></td>
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<td></td>
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<tr>
<td>6</td>
<td>Social-distance-closing index you</td>
<td>0.018</td>
<td>0.008</td>
<td>0.001</td>
<td>-0.36**</td>
<td>0.36**</td>
<td>0.39**</td>
<td>0.74**</td>
<td>---</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7</td>
<td>Statement of own preferences and priorities you</td>
<td>0.004</td>
<td>0.002</td>
<td>0.16</td>
<td>0.10</td>
<td>-0.26+</td>
<td>0.15</td>
<td>0.27+</td>
<td>0.01</td>
<td>---</td>
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<tr>
<td>8</td>
<td>Statement of fact you</td>
<td>0.004</td>
<td>0.004</td>
<td>-0.47**</td>
<td>0.53**</td>
<td>-0.05</td>
<td>-0.07</td>
<td>0.34*</td>
<td>-0.21</td>
<td>0.08</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Other you</td>
<td>0.004</td>
<td>0.003</td>
<td>0.12</td>
<td>-0.18</td>
<td>0.05</td>
<td>-0.22</td>
<td>0.10</td>
<td>-0.27+</td>
<td>-0.02</td>
<td>0.01</td>
<td>---</td>
</tr>
<tr>
<td>10</td>
<td>We</td>
<td>0.015</td>
<td>0.007</td>
<td>0.15</td>
<td>0.25+</td>
<td>-0.40**</td>
<td>-0.24</td>
<td>0.02</td>
<td>-0.20</td>
<td>0.29*</td>
<td>0.19</td>
<td>0.16</td>
</tr>
<tr>
<td>11</td>
<td>I</td>
<td>0.04</td>
<td>0.01</td>
<td>-0.27+</td>
<td>0.22</td>
<td>0.05</td>
<td>0.22</td>
<td>0.09</td>
<td>-0.11</td>
<td>-0.02</td>
<td>0.30*</td>
<td>0.14</td>
</tr>
</tbody>
</table>

Notes.
<sup>a</sup> UU = 1; not UU = 0.
<sup>b</sup> KK = 1; not KK = 0.
<sup>c</sup> Intra-cultural = 0; inter-cultural = 1.
The pronoun data reflect the percentage of each category.
** p < .01; * p < .05; + p < .10
Table 3. “You”, “We”, and “I” Predicting Joint Gains.

<table>
<thead>
<tr>
<th>Pronouns</th>
<th>Joint Gains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social-distance-closing index you</td>
<td>80,402.60 (34,301.07)*</td>
</tr>
<tr>
<td>Statement of own preferences and priorities you</td>
<td>192,242.93 (136,752.86)</td>
</tr>
<tr>
<td>Statement of fact you</td>
<td>-30,497.27 (65,961.07)</td>
</tr>
<tr>
<td>Other you</td>
<td>-81,132.98 (87,519.65)</td>
</tr>
<tr>
<td>We</td>
<td>-43,416.11 (46,404.83)</td>
</tr>
<tr>
<td>I</td>
<td>54,890.64 (29,745.06)</td>
</tr>
<tr>
<td>$F$(df)</td>
<td>2.70(6, 39)*</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>.19</td>
</tr>
</tbody>
</table>

Notes.

Unstandardized betas and their standard errors are presented.

* $p < .05$
Table 4. Means and Standard Deviations of Categories of “You” by Dyad Type.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Social-distance-closing index you</td>
<td>0.018 (0.007)</td>
<td>0.013 (0.005)</td>
<td>0.022 (0.010)</td>
</tr>
<tr>
<td>Statement of own preferences and priorities you</td>
<td>0.004 (0.002)</td>
<td>0.004 (0.002)</td>
<td>0.003 (0.002)</td>
</tr>
<tr>
<td>Statement of fact you</td>
<td>0.001 (0.002)</td>
<td>0.008 (0.005)</td>
<td>0.004 (0.004)</td>
</tr>
<tr>
<td>Other you</td>
<td>0.005 (0.004)</td>
<td>0.003 (0.002)</td>
<td>0.005 (0.004)</td>
</tr>
</tbody>
</table>