The Influence of Cultural Intelligence on Intercultural Business Negotiation

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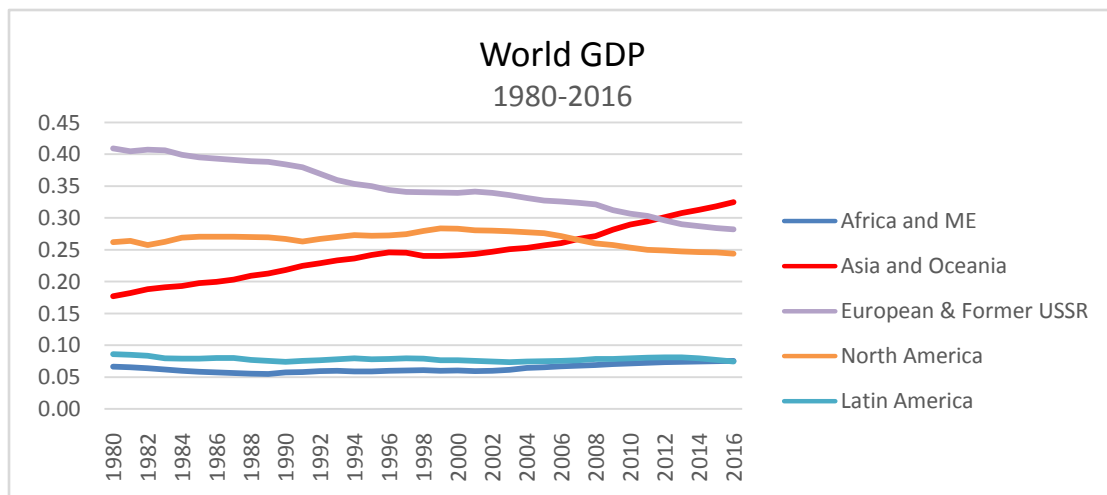Whiting, Indiana

Abstract

The world's economic power is shifting as globalization, influenced by economic growth, trade policy, and new trading relationships presses onward. Consequently, more efficient methods and outcomes are necessary. This research examines the four dimensions of the Cultural Intelligence construct with actual intercultural business negotiation outcomes. Metacognitive CQ, cognitive CQ, motivational CQ and behavioral CQ sub-dimensions, and their relationships to negotiation outcomes are analyzed. To test the hypotheses, a self-report survey of the results of actual international negotiation exchanges was administered to 102 experienced negotiators from the Taiwan External Trade Development Council. Results indicated that aggregate cultural intelligence predicts intercultural negotiation outcomes, intercultural negotiation satisfaction, and intercultural negotiation performance-satisfaction. Evidence also suggests that two sub-dimensions, motivational cultural intelligence and behavioral cultural intelligence predict inter-cultural negotiation performance-satisfaction. Together, the findings suggest that the cultural intelligence scale can be relied upon to predict intercultural negotiation outcomes as well to select managers for improved negotiation performance.

Introduction

The need for effective intercultural negotiation expertise has never been greater. To be sure, the once comfortable era of entering international markets has quickly eroded into a business imperative. Indeed, previously stable markets controlled by large entities from developed, free-market economies are now open territory for unknown upstarts due in part to technological, political, and economic advances. As a result, upstarts from historically closed markets are now entering the global arena with increased levels of depth, technology, and sophistication. In short, an improved understanding of intercultural negotiation is becoming increasingly important as the global economy gradually shifts eastward.

Recent data from the United States Economic Research Service has demonstrated that the increase in Asian gross domestic product (GDP) has risen from about 17% in 1980 to 33% at the end of 2016, surpassing the North American and European Union economies. Indeed, the global power structure has changed in many ways (United States Department of Agriculture, 2018).

Figure 1: World GDP Share (1980-2016)

Relatively little empirical research has been conducted on international negotiation outcomes during actual negotiations,perhaps due to logistical issues or the lack of willing participants (Imai & Gelfand, 2009; Gelfand & Christakopoulou, 1999). The preponderance of available research represents insight that has focused on cultural styles or preferences (Salacuse, 1988). Essentially, large amounts of independent data are available, but little that facilitates the development of intercultural negotiation competency.

Value-creating negotiations are important for both individual negotiating parties and the global economy alike. Datafrom a negotiation study by Nadler, Thompson and van Boven (2003) suggests that the classic "win-win" negotiation outcome is attained only about three percent of the time and the success rate for simple agreements is less than fifty percent. Intercultural negotiators face additional challenges owing to numerous differences such as language and communication, context, styles, expectations, and values. As a result, scholars cite evidence that newly-formed international joint ventures face notorious failure rates (Lou & Shenkar, 2002).

One recent intelligence construct based on multiple dimensions of culture is the Cultural Intelligence Model (Earley & Ang, 2003). Similar to other intelligence models such as emotional intelligence or social intelligence which complement our cognitive ability, cultural intelligence suggests that real-world intelligence competencies extend beyond mere cognitive capability.

Cultural Intelligence(CQ) stresses that cross cultural competence is a construct that incorporates not only what we know (cognitive CQ), but also how we plan and implement the acquisition of new cultural knowledge (metacognitive CQ). The construct additionally includes a component for what motivates us to acquire new knowledge (motivational CQ) as well as how we use that knowledge in culturally diverse settings (behavioral CQ). In sum, the structure of CQ recognizes that individuals with high levels of cognitive ability may not necessarily achieve similar levels of success in the real world (Sternberg, 1999).

Cultural Intelligence

Cultural Intelligence is grounded in the intelligence literature based on its state-like capability properties. From an intelligence perspective, CQ is both similar to and distinct from general mental ability (IQ) or emotional intelligence (EQ). It is similar to IQ and EQ because it is a predictor of abilities rather than preferences; however, it is different from IQ because IQ represents the ability to perform across all contexts; yet, is not granular enough to predict performance within intercultural contexts (Ang & Van Dyne, 2008). It is also different from EQ since EQ represents the ability to identify and control emotions, yet there is no evidence that EQ is transferrable across cultures, which commonly express emotions in substantially different forms (Law, Wong, & Song, 2004). Consequently, while CQ is a culture free construct, EQ is more culture bound since the appropriate display of emotions are heavily influenced by culture specific expectations and behaviors.

The Cultural Intelligence Scale (CQS)

The CQS is an instrument resulting from more than six original development and refinement studies that have validated the results are generalizable across samples, time, countries, and methods. Cultural intelligence research was motivated by two important realities: The growing number of people involved in "real-world" multicultural exchanges, and the lack of theory that explores individual performance in multicultural environments (Ang, et al., 2007).

At a high level, metacognition is the process of how we strategically accumulate and enhance our knowledge. Metacognitive cultural intelligence (MetCQ) refers to our conscious awareness of differences in intercultural interactions (Flavell, 1979). Individuals with high levels of MetCQ consistently question and adjust their own cultural understanding when interacting with those from another culture. Metacognitive cultural intelligence incorporates higher-level cognitive reasoning that permits us to develop new mental models of social interaction in novel environments.

Cognitive cultural intelligence (CogCQ) focuses on an individual's knowledge bank of cultural norms, practices, context, and conventions, which frequently stem from culture specific value systems (Ang & Van Dyne, 2008; Early, Ang, & Tan, 2006).Cognitive cultural intelligence also indicates an individual's understanding of their own self-concept, and an understanding of the existence of broad cultural universals and cultural differences. This expanded knowledge base makes for greater predictability in social interaction, increased attribution accuracy, and more effective intercultural behaviors (Thomas, 2006).

Motivational cultural intelligence (MotCQ) refers to the level of interest and energy we devote to enhancing our cultural knowledge. It is conceptualized as one's intrinsic desire to engage in intercultural exchanges (Templer, Tay, & Chandrasekar, 2006). According to the expectancy value theory of motivation, the key to increasing an individual's motivation is one's expectations for successful outcomes (Wigfield & Eccles, 2000). Therefore, motivational cultural intelligence contemplates an individual's values, self-efficacy, and goal-setting expectations.

Behavioral cultural intelligence (BehCQ) reflects an individual's ability to behave or act appropriately in culturally diverse situations through the exhibition of appropriate verbal and/or non-verbal actions (Ang, et al., 2007). According to Hall (1959), an individual's mental faculties are not sufficient alone to bring forth success. Hall asserts that an individual must utilize their mental (e.g. metacognitive, cognitive) and non-mental (e.g. motivational, behavioral) capabilities in order to reach their goals. Utilizing one's knowledge and motivation as well as possessing the capability to adapt their behavior to exhibit proper responses during intercultural interactions contributes positively to intercultural outcomes (Koneya & Barbour, 1976; Ang, Van Dyne, & Tan, 2011).

Of all the dimensions of cultural intelligence, BehCQ is arguably the most difficult dimension to acquire, as there are many actions that we aspire to achieve, but cannot actually perform since many behavioral actions require sophisticated refinement and finesse(Early, Ang, & Tan, 2006).

Empirical research has demonstrated the validity of cultural intelligence as a predictor of exchange outcomes in a number of cross-cultural business situations. For example, Chua et al. (2012) found that managers who scored high in MetCQ were more likely to share new ideas, which resulted in improved problem-solving outcomes when involved in intercultural exchanges. Ang et al. (2007) found that individuals with higher CQ were more accurate in their decision making above and beyond cognitive ability, emotional intelligence, personality, and international experience. Wilken et al. (2013) found that the use of cultural moderators, who were natively familiar with both cultures, produced negotiation outcomes of higher value when engaged in distributive negotiation exchanges. Finally, Imai and Gelfand (2010) found that the use of reciprocal negotiation sequences, known to produce negotiation outcomes of higher value, were more prevalent for negotiators who enjoyed higher levels of CQthan negotiators with lower levels of CQ.

Considering the above, the following hypotheses are examined in order to ascertain whether CQ influences the negotiation outcomes of experienced negotiators, specifically:

H_1: Negotiators with higher levels of CQ will have higher levels of ICNO (outcomes) than negotiators with lower levels of aggregate CQ.

H_2: Negotiators with higher levels of CQ will have higher levels of ICNS (satisfaction) than individuals with lower levels of aggregate CQ.

H_3: Negotiators with higher MetCQ and CogCQ sub-dimensions will exhibit higher ICNP (planning) than individuals with lower MetCQ and CogCQ.

H_4: Negotiators with higher levels of MotCQ and BehCQ sub-dimensions will have higher levels of ICNPS (performance-satisfaction) than negotiators with lower levels of MotCQ and BehCQ.

Sample and Measures

Sample

The Taiwan External Trade Development Council was chosen as the study site due to the success of its members in international trade and their consequent economic contributions that have earned Taiwan the distinction of "Asian Tiger" (Kim, 1998). The sample comprised 102 experienced international negotiators. Forty-six percent of the population were female, and the average age of the population was 36.04 years. The participants had an average of 10.84 years of work experience and an average of 5.14 years of negotiation experience. By many standards, this sample offers a rare, yet ideal site based on access to experienced international business negotiators that have long operated in a dynamic market.

Measures

A three-part, bi-lingual (English – Traditional Chinese) survey was developed to examine the influence of cultural intelligence on intercultural negotiation outcomes. Part I of the survey contained a bi-lingual version of the

original 20-item Four Factor Cultural Intelligence Scale developed by Ang, et al. (2007)and measured each of the four sub-dimensions of the cultural intelligence construct: metacognitive cultural intelligence,
cognitive cultural intelligence, motivational cultural intelligence, and behavioral cultural intelligence, utilizing 20 self-report items presented on a seven point Likert-type scale. Since the scale was only available in English and Simplified Chinese, the scale was backward translated into Traditional Chinese by faculty and staff experienced in translation at a major university in central Taiwan.

Part II of the survey included the measures for evaluating inter-cultural negotiation outcomes based on measures from original work by Schneider at the Harvard Negotiation Law Review (Schneider, 2002).Items that measured inter-cultural negotiation outcomes focused on measures of planning, (e.g. "How much time do you spend on negotiation planning?" "在談判互動之前你是否會準備一份書面計畫?"), and economicoutcomes (e.g. "How satisfied were you with your individual gains (e.g. discount earned, margin, risk, terms, etc.)? "對於你個人利益的滿意度如何? (例如:折扣、利潤、風險、條款等)"").

Satisfaction items were adopted as a proxy for measuring negotiation outcomes that are difficult to measure owing to broad variances in intrinsic outcomes or where privacy factors are prone to influence(Graham, Mintu, & Rodgers, 1994) and focused on performance satisfaction (e.g. "Were you satisfied with your negotiation performance relative to your pre-negotiation expectations? 你同意先前談判期望的滿意度為何?),and overall satisfaction (e.g. "If an agreement was reached, how satisfied were you with the agreement." 如果達成了一項協議，你對於協議的滿意度如何?"").

Part III of the survey instrument included demographic and contextual information such as the respondent's age, gender, education level, years of professional experience, negotiating counterpart, and years of negotiation experience.

Since the three survey parts were all translated from English, pilot testing was necessary to identify potential translation errors. This was conducted twice, initially under controlled conditions with experienced professionals participating in an EMBA program and subsequently with international MBA graduate students. Recognizing that the target population was composed of experienced international business negotiators with varying and oftentimes relatively robust levels of English fluency, a bi-lingual version of the survey was implemented as opposed to either an English-only or Traditional Chinese-only language version. Respondents were consequently presented with each of the survey item questions in both Traditional Chinese and American English on the same item response line in an attempt to further increase overall item comprehension.

Results of Data Analysis

Descriptive Analysis

This section offers the sample's descriptive statistics, an analysis of the four hypotheses, and select inferences drawn from the data. Table 1 indicates the ages of the respondents ranged from $24 - 56$ years ($M = 36.04$, $SD = 6.50$). All participants were college graduates and 46.1% of them had earned a post-graduate degree. Over half the respondents (56.9%) were engaged in the manufacturing industry. All but one respondent claimed citizenship of the Republic of China (Taiwan); the remaining participant reported they held citizenship from the People's Republic of China (China).Nearly sixty-three percent of participants reported spending "very significant time", "significant time", or "considerable time" planning for inter-cultural negotiation exchanges, and 98% reported that they identified their goals in advance. As far as preparing a written plan in advance, 66.7% of respondents reported doing so, and the majority of respondents reported developing other courses of action as alternatives in the event of a failed negotiation (58.8%).

Table 2 displays the psychometric characteristics for the seven summated scale scores. Cronbach alpha reliability coefficients ranged from $\alpha = .73$ to $\alpha = .88$ with the median sized coefficient being $\alpha = .83$. This suggested that all coefficients had acceptable levels of internal reliability (Creswell, 2003).

Univariate Analysis

Table 3 presents the means and standard deviations of aggregate cultural intelligence by age and negotiation experience. Aggregate cultural intelligence appeared to increase with age, category 24-29 ($M = 5.15$, $SD = 0.50$), category 30-39 ($M = 5.46$, $SD = 0.59$), category 40-49 ($M = 5.72$, $SD = 0.67$), while tapering somewhat in the final age category 50-56 ($M = 5.68$, $SD = 0.25$). Aggregate cultural intelligence consistently increased with negotiation

experience, category 0 - 4 years (M=5.40, SD = 0.64), category 5 - 9 years (M= 5.47, SD = 0.48), category 10 - 19 years (M= 5.73, SD = 0.61), and negotiation experience category 20-26 years (M= 5.81, SD= 0.66).

Multivariate Analysis

Table 4 displays the Pearson product-moment correlations between the seven independent variables and the four dependent variables. For the resulting 28 correlations, all were positive and 24 of 28 were statistically significant at the p <.05 level. The three largest correlations were: (a) intercultural negotiation performance satisfaction with the final cultural quotient (r = .42, p<.001); (b) intercultural negotiation performance satisfaction with the met cognitive average score (r = .38, p<.001); and (c) intercultural negotiation satisfaction with the final cultural quotient (r = .39, p<.001).

Table 5 displays the Pearson product-moment correlations between the 11 independent variables and the 4 control variables. The four control variables were negotiation experience, work experience, age, and educational level. For the resulting 44 correlations, 23 of 44 were statistically significant at the p <.05 level. The four largest correlations were: (a) performance satisfaction with negotiation experience (r = .45, p<.001); (b) performance satisfaction with work experience (r = .41,p<.001); (c) cultural judgment decision-making with work experience (r = .40, p<.001); and (d) cultural judgment decision-making with age (r = .40, p<.001).

Table 1: Frequency Counts for Selected Demographic Variables (N = 102)

Variable	Category	n	%
Age Category [a]			
	24 to 29 years	14	13.7
	30 to 39 years	62	60.8
	40 to 49 years	21	20.6
	50 to 56 years	5	4.9
Sex			
	Female	55	53.9
	Male	47	46.1
Years of Work Experience [b]			
	1 to 4 years	14	13.7
	5 to 9 years	29	28.4
	10 to 14 years	31	30.4
	15 to 19 years	16	15.7
	20 to 30 years	12	11.8
Years of Negotiating Experience [c]			
	1 to 4 years	57	55.9
	5 to 9 years	24	23.5
	10 to 19 years	19	18.6
	20 to 26 years	2	2.0
Education Level			
	Bachelors	55	53.9
	Masters	47	46.1
Industry			
	Services	16	15.7
	Manufacturing	58	56.9
	Government/Education/Other	28	27.5

[a] Age: $M = 36.04$, $SD = 6.50$.
[b] Work Experience: $M = 10.84$, $SD = 6.28$.
[c] Negotiating Experience: $M = 5.14$, $SD = 4.75$.

Table 2: Psychometric Characteristics for Summated Scale Scores (N = 102)

Scale	Number of Items	M	SD	Low	High	α
Metacognitive Average	4	5.72	0.72	3.50	7.00	.73
Cognitive Average	6	4.89	0.84	2.50	7.00	.81
Motivational Average	5	5.81	0.87	2.80	7.00	.87
Behavioral Average	5	5.54	0.88	2.80	7.00	.80
Cultural Judgment Decision Making	10	5.30	0.68	3.50	7.00	.83
Interactional Adjustment Quotient	10	5.67	0.75	3.60	7.00	.86
Final Cultural Quotient	20	5.49	0.61	3.70	6.65	.88

Note. Scale scores were based on a seven-point metric: 1 = *Strongly Disagree* to 7 = *Strongly Agree*.

Table 3: Comparison of means of aggregate cultural intelligence by age and negotiation experience (N = 102)

Variable	Category	M	SD	Low	High	n
Age						
	24 to 29 years	5.15	.50	4.48	6.22	14
	30 to 39 years	5.46	.59	3.70	6.57	62
	40 to 49 years	5.72	.67	4.55	6.65	21
	50 to 56 years	5.72	.25	5.35	6.02	5
Negotiation Experience						
	1 to 4 years	5.40	.64	3.70	6.65	57
	5 to 9 years	5.47	.48	4.56	6.29	24
	10 to 19 years	5.73	.61	4.55	6.65	19
	20 to 26 years	5.81	.66	5.35	6.28	2

Note. Scale scores were based on a seven-point metric: 1 = *Strongly Disagree* to 7 = *Strongly Agree*.

Table 4: Pearson Product-Moment Correlations between the Independent Variables with the Dependent Variables (N = 102)

Independent Variable	Dependent Variable [a]							
	1		2		3		4	
Cultural Judgment Decision Making	.24	*	.32	****	.34	****	.35	****
Final Cultural Quotient	.19	*	.33	****	.39	****	.42	****
Interactional Adjustment Quotient	.10		.24	*	.33	****	.36	****
Metacognitive Average	.23	*	.36	****	.35	****	.38	****
Cognitive Average	.19	*	.21	*	.24	**	.24	*
Motivational Average	.09		.32	****	.35	****	.37	*****
Behavioral Average	.08		.10		.22	*	.24	**

* $p < .05$. ** $p < .01$. *** $p < .005$. **** $p < .001$.

[a] Dependent Variables: 1 = *Inter Cultural Negotiation Planning*; 2 = *Inter Cultural Negotiation Outcome;* 3 = *Inter Cultural Negotiation Satisfaction*; 4 = *Inter Cultural Negotiation Performance-Satisfaction.*

Table 5: Pearson Product-Moment Correlations between the Scale Scores with the Control Variables (N = 102)

Scale Scores	Control Variables [a]							
	1		2		3		4	
Cultural Judgment Decision Making	.34	****	.40	****	.40	****	.27	**
Final Cultural Quotient	.27	**	.32	****	.30	***	.14	
Interactional Adjustment Quotient	.13		.16		.12		-.01	
Metacognitive Average	.30	***	.34	****	.31	****	.20	*
Cognitive Average	.29	***	.36	****	.39	****	.26	**
Motivational Average	.12		.12		.09		.02	
Behavioral Average	.10		.15		.12		-.03	
Planning Time	.23	*	.18		.16		.13	
Outcome Satisfaction	.26	**	.14		.08		.05	
Negotiation Satisfaction	.30	***	.16		.14		.20	*
Performance Satisfaction	.45	****	.41	****	.36	****	.21	*

* $p < .05$. ** $p < .01$. *** $p < .005$. **** $p < .001$.

[a] Control Variables: 1 = *Negotiation Experience*; 2 = *Work Experience*; 3 = Age; 4 = *Education Level*

Table 6: Partial Correlations between the Independent Variables and the Dependent VariablesControlling for Selected Variables (N = 102)

Independent Variable	Dependent Variable [a]							
	1	2		3		4	
Cultural Judgment Decision Making	.16	.29	***	.26	**	19	
Final Cultural Quotient	.13	.29	***	.35	****	.32	****
Interactional Adjustment Quotient	.07	.22	*	.33	****	.33	****
Metacognitive Average	.16	.32	***	.28	***	.26	**
Cognitive Average	.11	.18		.17		.08	
Motivational Average	.06	.29	***	.34	****	.35	****
Behavioral Average	.06	.08		.22	*	.22	*

* $p < .05$. ** $p < .01$. *** $p < .005$. **** $p < .001$.

[a] Dependent Variables: 1 = *Inter Cultural Negotiation Planning*; 2 = *Inter Cultural Negotiation Outcome*; 3 = *Inter Cultural Negotiation Satisfaction*; 4 = *Inter Cultural NegotiationPerformance Satisfaction.*

Note. Control variables for these partial correlations were negotiation experience, work experience, age, and education level.

Results

This analysis suggests that cultural intelligence has been found to explain significant variance in three of the four intercultural business negotiation outcomes measured.

The Relationship between Final Cultural Quotient and Intercultural Negotiation Outcomes

As predicted in H_1, aggregate cultural intelligence had a positive, significant, and direct correlation with intercultural negotiation outcomes (r= .33, p < .005) (Table 4). Negotiators who have a greater ability to understand and adapt to the cultural situation, shape the context to meet their goals, and modify their behavior during intercultural negotiation exchanges tend to outperform negotiators who do not. Notably, at the sub-dimension level, metacognitive cultural intelligence had the strongest positive correlation with intercultural outcomes (r= .32, p < .001) (Table 6).

The results of this hypothesis are consistent with previous studies that have measured the predictive ability of cultural intelligence on intercultural negotiations and have extended that research in two ways. First, the predictive ability was established by *directly* measuring the predictive relationship between cultural intelligence and negotiation outcomes, and second, by measuring the results of *actual* intercultural business negotiations as compared to examining the results of simulated negotiation exchanges.

In a related study examining the differences between intercultural and intercultural negotiations, scholars have examined the influence of 'cultural moderators 'or the use of an individual from the target culture as part of a seller's negotiating team in order to reduce the cultural distance between negotiating parties in attempts to positively influence economic outcomes. Wilken, Jacob, and Prime (2013) found that the use of cultural moderators in these instances always help negotiators reach better economic outcomes, regardless of the specific cultural backgrounds involved. Furthermore, related research suggests that the use of a cultural moderator in competitive or distributive negotiation situations was also shown to benefit the economic gains of the team to which they were a member. This was due to the ability of the cultural moderator to exploit the cultural proximity to their negotiating opponent. Hence, cultural moderators, along with their native command of the cultural context of their negotiating counterpart, as well as the ability to effectively incorporate such behaviors into their own negotiating repertoire, have resulted in improved outcomes (Wilken, Jacob, & Prime, 2013).

Presumably, the more similar the negotiator's cultures, the better chance they have at understanding the behaviors and values of each other, and hence reach outcomes of higher value. Indeed, the results of H_1 imply that relying on cultural intelligence as a proxy to reduce the negative effects of cultural distance between intercultural negotiators leads to improved integrative outcomes.

The Relationship between Final Cultural Quotient and Intercultural Negotiation Satisfaction

As predicted in H_2, final cultural quotient had a positive and direct correlation with intercultural negotiation satisfaction (r= .39, p < .0005) (Table 4). Negotiators who have a greater ability to understand and adapt to the cultural situation, shape the context to meet their goals, and modify their behavior during intercultural negotiation exchanges tend to achieve more personal satisfaction with negotiation exchanges than those who have a lesser ability. Notably, the correlation between final cultural quotient and negotiation satisfaction was higher than the correlation between final cultural quotient and negotiation outcomes. This difference is perhaps best explained by observing that negotiators derive satisfaction from two sources: the extrinsic objective outcomes resulting from the exchange, as well as the satisfaction from the intrinsic relationship developed (or maintained)between the parties. Negotiators who succeed at meeting their extrinsic objectives earn satisfaction from the exchange, while negotiators who also are satisfied with the intrinsic elements, such as a continuing relationship, derive additional satisfaction, which simply adds to an individual's overall level of satisfaction.

The Relationship between CJDM and Intercultural Negotiation Planning

Of the four hypotheses contained within the study, H_3 is the only relationship that failed to reach statistical significance. The results of the present study indicated that managers who have higher levels of MetCQ and CogCQ, referred to as cultural judgment and decision-making (CJDM), were not more likely to engage in planning activities associated with an upcoming intercultural negotiation. The results were not consistent with the results of a similar study conducted by Ang, et. al (2007) whom previously found evidence to the contrary.

The lack of empirical support from the present study suggests that culture specific intelligence competency bears no influence on the active pre-planning of intercultural exchanges.

The Relationship between Interactional Adjustment (IA) and Intercultural Negotiation Performance-Satisfaction (INPS)

Examining the final hypothesis, the combination of MotCQ and BehCQ,referred to as interactional adjustment, accounted for 32.9% of the variance in performance-satisfaction.

As predicted in H_4, interactional adjustment had a positive and direct correlation with intercultural performance-satisfaction ($r= .29$, $p < .001$) (Table 4) which suggests that negotiators who have the desire to engage in intercultural exchanges, as well as the behavioral capability to display those behaviors appropriately, experienced greater satisfaction with their personal performance. Although not included in the composite sub-dimension of interactional adjustment, metacognitive cultural intelligence was notably demonstrated to be the sub-dimension with the strongest correlation to intercultural negotiation performance-satisfaction ($r= .38$) with motivational cultural intelligence following just behind ($r= .37$).

The results of Hypothesis 4 are in alignment with the original interactional adjustment findings of Ang et al. (2007) which examined intercultural performance satisfaction with university students and extend those results to the real-world realm of intercultural negotiators. These findings may also serve to extend the work on cross-cultural adjustment by suggesting that higher interactional adjustment among intercultural negotiators reduces the level of performance uncertainty when operating in a foreign context. An individual's heightened interactional adjustment also serves to increase an intercultural negotiator's self-efficacy and thereby psychologically expand one's confidence in their use of a broader repertoire of available behaviors during the exchange.

Theoretical and Research Implications

The results of this research offer a number of contributions to the field. First, this study of the influence of aggregate and sub-dimensional facets of cultural intelligence is the first to examine the outcomes of real-world intercultural negotiation outcomes involved in the normal course of business. While self-report studies are susceptible to certain individual response biases, the use of laboratory simulations under artificial conditions also suffer from the rigor of study where outcomes are less important to participants. As a result, these findings may help to corroborate or refute the work of related examinations or provide a basis for others to disembark.

Second, and not surprising, is that MetCQ had the most influence on all measured intercultural negotiation outcomes. Indeed, the general theory of cultural intelligence suggests that individuals with higher levels of cultural intelligence are enabled to 'make sense' of culturally distinct situations to a greater extent than individuals with lower levels of cultural intelligence. This work found that cultural metacognition equipped individuals with a heightened ability to 'make sense' of foreign contextual cues above and beyond other known intercultural negotiation outcome influencers such as age, level of education, or negotiation experience.

Finally, these research findings add a new perspective to the existing literature by suggesting that MetCQ and MotCQ work together to enhance outcomes. Imai and Gelfand (2010) found that motivational cultural intelligence is strongly related to cooperative negotiation motives and the present study found that metacognitive cultural intelligence predicts satisfaction and outcomes. Taken together, it is conceivable that high metacognitive individuals build upon their heightened MotCQ abilities in such a way that the shaping characteristics of cultural metacognition permit negotiators to respond in kind to their counterparties' strategies and tactics with greater levels of persistence, energy, and skill, thereby further enhancing outcomes.

Managerial Considerations

The practical utility of this research highlights the importance of efforts that more closely relate to the complex aspects of intercultural negotiation by first defining, and then focusing on specific aspects of the problem. This is particularly beneficial for the present study as the cultural intelligence model offers the benefit of "*theoretical precision*" (Gelfand, Imai, & Fehr, 2008, p. 376), a concept that identifies and defines specific cultural intelligence dimensions for practitioners to manipulate while attempting to improve an individual's intercultural exchange outcomes. This approach to examining intercultural negotiation outcomes differs from practitioners' traditional focus on issuing prescriptive advice often centered on the development of logic driven game theory,

which suffer from the incorrect assumption that negotiators exclusively engage in rational decision-making processes designed to maximize their expected utility outcomes.

Moreover, this work highlights the influence of the behavioral, motivational, and affective factors on negotiation outcomes consistent with the growing interest in individual judgment research.

Conclusion

The importance of intercultural exchanges, particularly business negotiations continues to play a role in our increasingly interrelated global economy. This paper has attempted to extend the literature on the influence of cultural intelligence on intercultural effectiveness by examining the international business negotiation outcomes of experienced international negotiators involved in the actual conduct of their business.In summary, the cultural intelligence construct and related sub-dimension scores are an ideal point at which to launch more sophisticated intercultural assignment programs as well as explore cultural capacity-enhancement training initiatives.

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